THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Vol. XIX. Annual Subscription, $5.00 PUBLICATION OFFICE: TORONTO, SEPTEMBER 11, 1925 Single Copies, 10 Cents No. 37

Which Party Will Reduce Canada's Scandalously Wasteful Expenses?

Clear-cut Policies for Solution of Country's Greatest Problems Are so Far Lacking in the Pronouncements of Both Leaders, but Mr. Meighen Definitely Promises Immediate Cutting Out of Fifty or More Millions of the More Than Hundred Millions Now Annually Spent on National Railways

The national political atmosphere has cleared up very much in the last few days. The country has had an opportunity of learning what each of the three national parties regard as the most important questions of the day. But the method by which these great questions are solved or administered is not quite so definitely seen. The Prime Minister, the Hon. Mr. Meighen and the Hon. Mr. Crerar, former leader and outstanding Farmer-Progressive, have each made their appeal to the nation. The chief problems are made clear but not the solutions. Solutions may come as the election campaigns develop. In any event, as matters now stand, it will be easier for the public to concentrate on the chief national problems. The tariff becomes a minor issue, as Hon. Mr. King, the government leader, has in effect adopted Hon. Mr. Meighen's proposal for a tariff commission, while Mr. Crerar definitely defines the attitude of the soundest men in the Progressive Party when he says: "We should have a tariff based primarily on the needs of revenue rather than looking **alone** to the protection of industries." Mr. Meighen no longer demands a manufacturer's policy but one made by representatives of the three great classes, which is the original policy of the farmers, but spurned by the Canadian Manufacturers' Association in 1917.

The national audience of voters will now have to listen seriously and decide by their votes which leader and party are most likely to solve other great problems, but particularly our appalling and still growing, scandalously wasteful national expenses. According to the Senate committee, these have averaged on railways alone $142,000,000 annually for the last six years, and are now running at the rate of $100,000,000 a year. Wastage in other departments of national administration would account, it is estimated, for another $60,000,000 annually, which would involve a reduction in annual taxation of $160,000,000.

King Would Curb Senate

To his promises to solve these problems, Mr. King commits the Liberals to such re-organization of the Senate as will, in effect, compel them to support the government of the day in any of its policies.

Beyond the tariff no clear-cut policy for the solution of any of these problems is announced by any one of the leaders. The hope is that the leaders will commit themselves to sound solutions as the campaign progresses. In the meantime, and until then, the country is looking not at the records of the three parties but at the records, characters and predelections of the two leaders; for within their own parties there is discord ranging all the way from disappointments to dissatisfactions with the record of both Mr. King and Mr. Meighen.

The Prime Minister's election pronouncement is apologetic but interesting and clever. It is a politician's rather than a statesman's or good executive's presentation. He talks exactly as the professors of economics, who Mr. Forke, the Progressive leader in the Commons, said were very plausible in their theories but indefinite in their conclusions and got nowhere in practical life. The one definite pronouncement he made was the appointment of a board to whom all questions of tariff and taxation were to be referred. The only real difference between this and the Meighen policy is Mr. King would make up his board mainly from among the "experts" in the Civil Service—again the theorist—while Mr. Meighen would have it made up of political men representative of agriculture, manufacturing and labor throughout Canada. He has no solution for the railway problem, taxation or immigration, or, more important still, emigration.

Meighen Would Cut Expense

Mr. Meighen, on the other hand, was more practical and definite, but did not go far enough. He seems to realize the seriousness of the immense burden of debt and taxes that is piling up but his usual courage failed when it came to committing himself to a definite solution, excepting in the one case that he would, within one month after his election, stop all the wasteful capital expenditures on national railways which have become a public scandal. He seems inclined to concentrate his campaign on protection and Canadian resources and raw materials for home use and manufacture—a policy on which practically all voters are agreed. The latter may perhaps be good politics, for it has compelled Mr. King to devote much time to defending himself for his anti-Canadian and anti-British policies, especially as both in the West and Quebec the necessity for the maintenance of the Canadian confederation and the unity of the Canadian peoples is being emphasized by all parties.

As matters stand to-day it would appear as if Quebec and the West would be the deciding factors in the final vote. It is extraordinary, that in Quebec the politicians on both sides regard their leaders as a handicap and say they would do better if neither appeared on any provincial platform during the campaign. Two members of The Post's staff have just completed—one a tour of Quebec and the other of the three Western Provinces. In each case the feeling among Liberals is distinctly dissatisfied with Mr. King. He has been a disappointment. They had great hopes when they selected him as a leader. They voted for him, the younger Quebec element in the party, in preference to Fielding because he was a younger man. They are sorry now they did not support Fielding. Naturally, as the Manitoba "Free Press" points out, the gaze is "focussed on Mr. King's performances and policy because he has had a chance and because he seeks another chance." The West considers Mr. King as lacking in courage, and with a record on public questions that is not good. This, plus the pro-Americanism of his policy, pretty fairly represents the attitude of Quebec. It has been more emphasized in Quebec, for they have suffered seriously through emigration; 3,000,000 Quebeckers now being in the U. S.; and because it has been necessary for the Liberal Government of the province to fight in its own interest the giving away of power and other natural resources by Mr. King and his chief lieutenant, Hon. Mr. Haydon, the Liberal organizer, to U. S. big interests.

Loyalty Issue in Ontario

While we have not yet made a thorough canvass of Ontario opinion, there is ample evidence to show that it is much the same as in Quebec, perhaps not so strong on some points as in Quebec, but in this province Mr. King's loyalty was always questioned and now the charge that he proposed to do away with the British flag and his attack on the Liberals who broke with their party during the war would seem to add strength to the propaganda that has always been carried on against him on this account. In the Maritime Provinces it is claimed that the recent elections are quite as much an expression of dissatisfaction with the National Government as with local Governments, but The Post is not in a position to confirm this view.

On the other hand, Mr. Meighen is everywhere respected for his courage, sincerity, and unswerving principles, though the latter is regarded as something of a weakness. It is said that Mr. King will alter his policies and principles "while you wait," or to suit any audience; while Mr. Meighen

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A Big Drop in Immigration

OTTAWA.—It has been impossible to get immigration figures for some time from the department here, the government having given orders that none were to be published. This week Hon. Mr. Meighen insisted that he be given the facts. After much difficulty he found that there has been a falling off of 20,796 from the low level of last year. This would indicate the lowest in many years.

Mr. King Sees Same Issues as Brought Out in Post Editorial

Striking Similarity in Choice of Subjects Between Financial Post Article and Prime Minister's Address

Did Premier King take the cues for his Richmond Hill speech from the much quoted editorial of The Financial Post of August 14, published under the heading "Bring On the Election"? The subjects mentioned in The Post's editorial as the leading problems of to-day in Canada, to solve which it was necessary to bring on a general election, were also given similar prominence by the prime minister as his excuse for having done so. Unfortunately, Mr. Meighen is inclined to minimize these and to regard protection as the one great problem.

Here are parallel extracts from The Post's editorial and from Premier King's address. Each lays great emphasis on the questions of tax reduction, the railways and immigration. Mr. King substitutes senate reform for civil government reform. Otherwise the parallel is complete.

Premier W. L. M. King
September 5, 1925

"What are some of the national problems pressing for solution?

"First and foremost is the problem of taxation. The reduction of taxation lies at the root of all else. . . . There are limits, however, to what economy and retrenchment in the public services can effect. They need to be supplemented by important policies in other directions.

"That brings me to a consideration of three outstanding national problems of the greatest importance. The transportation problem, the problem of immigration, and the fiscal problem. To these I should add a fourth, the constitution and powers of the Senate. I can see no solution of the problem of taxation, no means of materially reducing our public debt, our income tax, our sales tax, and other taxes, apart from a satisfactory solution of the four problems here mentioned, all of which are interrelated and in more ways than one inseparably intertwined. May I say, further, I believe each of the problems mentioned is a pressing one. I do not believe that any one of the four can be dealt with effectively at a last session of Parliament."

The Financial Post, August 14, 1925

" . . . the four towering problems of this country.

"These are railways, immigration, taxation, and the reorganization of civil government for lower costs and greater efficiency.

"Canada needs a government that will feel itself strong enough to tackle these mighty menaces to our country's welfare . . . . The government that will be elected—be it Grit or Tory—will likely have the definite working majority that means public backing. It will then be able to act; to decide on the future of the government railways and choose one of the courses open to reduce the annual railway loss by millions. It will be able to reduce taxation and to give the average man a chance to pocket a larger share of the wealth he creates. It will be able to declare an immigration policy that will not be dictated by the selfish few but by the hunger of our empty lands. It will be able to go one way or the other on the tariff and bring stability to industry. It will be able to put the civil service and public spending on a business schedule. Canada does not need anything more than this to have an era of growth greater than it has ever seen."

Boom in Price of Laurentide Result of Power Merger Talk

From Our Own Correspondent.

MONTREAL.—This week, the Financial Service here published a bulletin calling attention to the stock of the Laurentide Power Company, pointing out that at present prices the stock was yielding the investor only some 4½ per cent. The article went on to indicate on the principle of "the ticker tells the story" that interesting developments might be expected in this concern and that there was a possibility of the company being taken over by other power interests.

Apparently, with this as a basis, some jumped to the conclusion that the Shawinigan Water and Power Company was buying the assets of the Laurentide Power and also the St. Maurice Power Company. When asked by The Financial Post if there were any truth in these rumors, Julian C. Smith, vice-president and general manager of the Shawinigan Water and Power, declared them to be absolutely untrue and that he knew nothing whatever of any such move.

The St. Maurice Power Company is controlled by Shawinigan; the International Paper Company also has an interest in it. The Laurentide Power Company is controlled by the Laurentide Company, which holds about 80 per cent. of the outstanding stock and purchases about 30 per cent. of the output. It sells to only two customers; the parent organization and Shawinigan, the former, under a long term contract, and Shawinigan uses all the power not utilized at the Laurentide mill.

The stock in the Laurentide Power is certainly selling at high levels—but then again, so are all the other power stocks which have a good market for their output. This company is extraordinarily favorably situated as all its output is sold under long term contracts, and at the same time, overhead is kept at a low figure due to the fact that it sells only to the two customers. That the contracts have been operating to the advantage of the company is indicated by the successive increases seen in the net earnings, year by year.

The present plant has machinery installed which develops 165,000 h.p.

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WAS SHORT-TERM LOAN BEST POLICY FOR GOVERNMENT?

Some Indications That Money May be Dearer Year Hence

The recent Dominion government financing in the New York market and in Canada gives rise to the question of the relative merits of short and long term borrowing, apart from the actual price paid. Some criticism followed the floating of the $70,000,000 loan in New York on the basis that there is little indication of cheaper money at this time next year, when this loan matures and the government would have been better advised to borrow on a longer duration basis.

That the Minister of Finance drove a good bargain from the standpoint of price, no one will deny. But could not longer term money also have been obtained on a favorable basis? Judging from present market conditions, there is every reason to believe that it could. The question resolves itself into whether or not there is any advantage in the short term basis.

Europe Looking for Money

The criticisms made are based largely on the fact that a huge volume of financing is due to be carried on in the New York market during the first half of the year. A number of the European countries will be coming into the market for money, and present indications do not point to the London market competing for this business, which may aggregate something in the neighborhood of $1,000,000,000. It is difficult to believe that so large a volume of money can be supplied within a relatively short space of time without the price being materially affected.

The probable demand for money within the United States for the needs of improving business and industry is another factor to be taken account of. At present, virtually all factors point to an increasing volume of business. Rising commodity prices would also tend to increase the demand for commercial funds. The continuation of this would involve the diversion of a large amount of money which would otherwise be available for the bond market. Whether or not the trend of the stock market will contribute towards a similar effect remains to be seen. Taking all factors into account, the possibility of lower money at this time next year seems somewhat remote.

HUDSON'S BAY CO.'S NEW STORE AT 'PEG

Taken as Indicating That Mall Project Will Now be Carried Through

WINNIPEG.—With the contract, it is understood, calling for completion of the structure in from 18 months to two years, a start has been made on the foundation work of the Hudson's Bay company's new $5,000,000 store on the mall. The contract for the entire structure has been let to the Carter-Halls-Aldinger Company, Ltd., which had a gang of workmen and 12 teams on excavation work recently.

News that work was actually under way created a good deal of enthusiasm at the city hall both because of the fact this fall was bringing the realization of the long-dreamed-of store and because of the fact this work would stimulate other building in the vicinity.

Chances of a start on the mall scheme were held to be vastly improved and it is expected nothing will transpire now to impede progress in council on the final settlement of all mall details.

Official announcement on the start of the construction was made by the Hudson's Bay company officials together with a statement that the property required for the opening of the capitol approach had been turned over to the city as follows:

"The governor, deputy governor and council of the company of Adventurers of England Trading into Hudson Bay have pleasure in announcing that they have undertaken to contribute such of their land as may be necessary for an approach from Portage Ave. to the parliament buildings and that the work of preparing the site for the new store was commenced Sept. 2"

Revive Rumors as to B.C. Fishing Outlook

The revival of interest in B. C. Fishing and Packing shares has revived the rumors of pool operations to get control and the possibility of the company paying a dividend this fall. The market group which handled Dominion Canners is supposed to have this issue in hand. Official intimation has been lacking as to what shareholders might expect as a result of the company's good financial position and the better business of the current year. The stock has made several starts this year similar to the present one, having attained its high level of the year on July 9, when it touched 50.

"Jocky" Aird Operated Canada's First Typewriter

This, I believe, is the story of the advent of the typewriter in Canadian business. It refers to one of the originals in the ranks of business machines, which was brought to Toronto by Dunn, Wyman & Co.—the founders of the commercial rating institution now known as R. G. Dunn & Co.

This machine, which was something of a sensation in those days, was bought from Dunn-Wyman by a young chap named Jardine who worked in a well-known wholesale grocery. But his employers would have none of it. They feared that their customers would be offended by machine-written correspondence or invoices. And so the young business progressive was asked to take his contraption off the premises. He took it home and later sold it to the Northern Railway where it was operated by a youth named "Jocky" Aird.

The "Jocky" Aird referred to is the Sir John Aird who is now president and general manager of the Canadian Bank of Commerce. The venturesome grocery clerk of those days is the A. Jardine who holds the position of assistant general manager and secretary of the Great West Life Assurance Co.

And it is just fifty-two years ago since these incidents in early typewriter history occurred.—J. W. T.

STRIKE FOLLOWED BY BETTER TIMES

Business is Now Starting a Moderate Boom in Cape Breton

From Our Own Correspondent.

SYDNEY.—"Good times" exceeding any that have been experienced in the past five years have followed the settlement of the Nova Scotia coal strike a few weeks ago.

In the coal fields, every Besco mine, with the exception of Acadia, is double shifted—that is, working day and night to catch up with the demand for coal for the St. Lawrence, Newfoundland and Nova Scotia markets.

The C. B. output alone has now reached a figure in excess of 16,000 tons daily and promises to go much higher. Officials of the company recently thoroughly inspected the Louisburg shipping piers, which is taken to mean that the present heavy shipments will continue after Sydney freezes up through the old French port which is open the year round.

In the steel branch of the corporation's activities, Harry J. Kelly, general manager, states that the outlook is distinctly encouraging and that expansion of operations at Trenton can be anticipated.

General business through the district is already picking up, although it may be several weeks yet before the full effect of the sudden change from stagnation to prosperity is experienced.

Washington Says Australian Pact a Barrier to U. S.

Washington is quite concerned about the Canadian-Australian pact, declaring that it will provide an almost unsurmountable barrier to the entry of United States produced raisins and currants in Canada when offered during the Australian season.

METROPOLITAN BLDG. PAYS BOND INTEREST

Construction Company Steps in and Takes Care of Mortgage Obligations

Any uncertainty which may have existed with regard to the payment of the mortgage bond interest of the Metropolitan Building, Toronto, has been dissipated by the fact that the Fuller Construction Company has taken care of the interest payments, providing for the completion of the building.

It is understood that the rentals are proceeding favorably and that approximately 60 per cent. of the space has been leased, on a ten year basis, to responsible business firms. While it may have been expected by some that a larger proportion of the building would have been rented by this time, the progress made is considered very satisfactory by those in charge of operations, in view of the state of office building space in Toronto at the moment.

MILREIS PRICE IS FACTOR IN BRAZILIAN

London Sold Heavily When Exchange Rate Showed Weakness

Brazilian Traction shares continued to reflect the improvement in Brazilian exchange this week and sold up to 74¾. For a time during the week there was a reactionary tendency to the price of milreis and London rushed into the market to sell, which caused the price to weaken. Later, however, milreis moved up to .1331, and this brought a new flood of buying orders and quickly choked off the London selling. London has always been a seller on any material rise in this stock, but a week ago evidently sold too soon as it was soon back as a buyer at higher levels.

NEW GRAIN ORDER INCREASES TRADE PACIFIC PORTS

Accelerate the Changing Business Conditions on Prairies

Although there is uncertainty for the time being as to whether the minority order affecting Western grain rates issued by authority of the Railway Board will continue or be rescinded, the ruling opens up important and interesting possibilities. It can readily be understood that the effect of a lowering of the rate on wheat and wheat products from prairie points through the Rocky mountains to the Pacific Coast, on a basis of the rate on similar shipments to the Atlantic seaboard, and the ignoring of the higher cost on the mountain haul, will have the effect of materially extending the prairie area from which grain and manufactures thereof can be successfully sent to world markets via British Columbia ports and the Panama Canal. This area even before this change in the rates had been extended as far East as Moose Jaw, Saskatchewan, for the shipment of important commodities for European markets.

The new order has been received with acclaim in British Columbia and throughout Alberta and a portion of Saskatchewan. On the other hand, it is regarded at Winnipeg and the head of the lakes as detrimental to the interests of the established grain and shipping facilities and institutions. The railways will undoubtedly suffer reduction in revenue not only because of the actual cut in rates involved but because of the increased amount of tonnage which will consequently be moved over the shorter haul.

Booming Western Route

This new order, if it is sustained, will lend momentum to a change in trade conditions which has been going on in the prairie provinces for some years. In the first place there has been the tendency on the part of financial and commercial institutions to establish headquarters in the various provinces instead of having one branch or one warehouse for the whole of the West. And in the second place there has been the increasing influence of the Pacific route not only on the Westward movement of farm products and manufactures thereof but on the distribution of imported manufactured goods entering through the Pacific ports as return cargoes for the outward shipments of grain, etc. All of this is having a temporary effect on Winnipeg and some other centres which benefited by the extensive use of the European route but so far as the Manitoba metropolis is concerned the outlook now is that during the next few years there will be a substantial industrial development in the manufacture of goods for prairie consumption under the stimulus of cheap power.

The benefits which British Columbia and Alberta would expect from a permanent lowering of rates is indicated by the following statement from A. Chard, freight traffic supervisor of the Alberta government:

"The announcement sounds the death knell to all opposition to the western route. September 2nd, 1925, will go down in history as a red letter day for the Province of Alberta as well as for

(Continued on page 16)

Ontario Bond Flotation to be Announced Shortly

Although the details of the coming financing of the province of Ontario have not yet been officially given out, it is understood that the bonds will be part short and part long term. The total amount of money needed will probably not be much greater than the volume of outstanding obligations maturing this year, although some additional may be called for, for current requirements. It is understood that complete details of the issue will be given out within the near future.

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The Business Outlook in Canada

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.

BUYING CAPACITY OF SASKATCHEWAN UP TEN PER CENT.

Wholesale Houses Fill Shelves Pending Sharp Rise in Demand

The crop returns constitute the all-absorbing factor in the business situation in the province of Saskatchewan at the moment. The major point of interest and importance is that although last year's farm revenue was some $10,000,000 lower than that of the year before, this year's will be very much larger and the spending power of the province will be in the neighborhood of $40,000,000 greater than that of 1924. These figures are based on the estimates of the Bureau of Statistics as well as of private organizations of a dependable character. This does not mean that an addition of $40,000,000 will be made to the buying power at one time, but rather that the revenue from this year's crops and industries will yield some such addition during the next few months, in relation to the corresponding period last year. Some of it has already been spent, as the effect is discounted even before the grain and other products are sold.

Saskatchewan, during the past five years, has produced, on the average, slightly more than 50 per cent. of the wheat of the Dominion. It is probable that this year's crop will be something more than 175,000,000 bushels. At an average of even $1.40 per bushel, this would mean a total value of $245,000,000. The government estimate of the total farm revenue for last year was $281,992,000. This is gross revenue, but is based on the farm price of the grains, or the net price after the deduction of production costs. It is evident that from the business standpoint, the gross value should be taken, since the production costs, with the exception of freight, represent money actually put into circulation in the community concerned.

The dairy products of Saskatchewan are assuming larger proportions annually. A better grade of milk cow is being bred and the markets for these products are expanding annually, as Europe recovers, and as standard revised methods of production and grading are introduced. Last year's dairy products were worth $20,030,000 against $6,051,000 in 1918.

Business Improvement Counted On

One of the most significant facts in the business of the province is that wholesale houses are stocking up their shelves and are buying more heavily than has been the case for some years. Money has been scarce in the West since soon after the war, and the cutting down process has been drastic even in the realm of necessities. With a larger spending power in the province, the merchants and wholesalers are preparing for a large buying movement. Sales of automobiles and of farm implements are already registering the change. It may be fairly assumed that the process of debt settlement which was essential before business recovery could progress, has advanced at least to the point where outstanding payments can be taken care of. In other words, the West is beginning to see daylight. It would be foolish to expect a trade or land boom. There are no indications of such, but there is a significant increase in the demand for farm lands, and there is also sufficient basis to look for good fall and winter business this year.

Statistics representing the progress of Saskatchewan follow:

Wheat, Value and Yield

	$	Bu.
1920	175,360,000	113,135,300
1921	142,880,000	188,000,000
1922	212,642,000	250,167,000
1923	176,554,000	271,622,000
1924	160,831,000	132,918,000

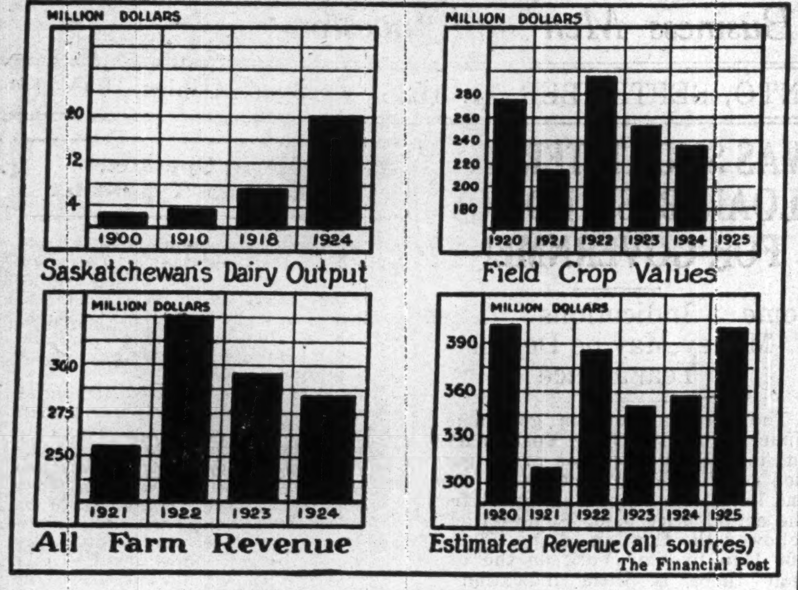
B. C. LEADS IN LUMBER

VICTORIA.—British Columbia leads the provinces of the Dominion in the amount of capital invested in lumber industries, according to figures issued by the Provincial Government. The amount of capital invested in provincial lumber mills, etc., is placed at $46,051,396, compared with $43,436,942 in Ontario and $36,345,512 in Quebec. The value of lumber and log production in 1923 in British Columbia and Ontario was $41,667,924 and $31,745,510, respectively.

Canadian Conditions

	1925	1924
Car Loadings—		
Week Aug. 29	55,996	53,595+ 4.4%
Yr. to date	1,781,501	1,847,750— 3.6%
Grain Receipts—		
Aug. 1 to Aug. 28	3,069,345	2,664,493+15.2%
Building—		
July	$11,266,421	$10,195,058+10.5%
Bank Clearings—August—		
	$1,059,700,133	$1,072,225,780— 1.1%
Savings Deposits—Chart. Banks—		
June	$1,253,703,216	1,453,999,460— 9.1%
Current Loans—By Banks—		
June	$895,592,277	$986,366,366— 9.2%
Net Dominion Debt—Aug. 31—		
	2,366,923,600	2,387,517,638— 0.8%
Balance of Trade— 12 months, July 31—		
Exp.	$1,093,165,663	$1,066,305,260+ 2.5%
Imp.	817,757,042	850,472,013— 4.00%
Bal.	275,408,621	215,833,247+27.6%
Wheat, No. 1, Nor. Winnipeg—		
	Sept. 5, $1.47½.	Sept. (Av.) $1.42
Railway Earnings— 7 Months—		
C. P. R.	$90,343,867	99,540,594— 9.2%
Oper. Exp.	79,157,346	86,810,947— 8.8%
Net	11,186,521	12,729,646—12.1%
C. N. R.	125,914,357	134,849,228— 6.6%
Oper. Exp.	120,247,070	131,634,547— 8.6%
Net	5,667,287	3,214,681+76.2%

SASKATCHEWAN'S REVENUE JUMPS

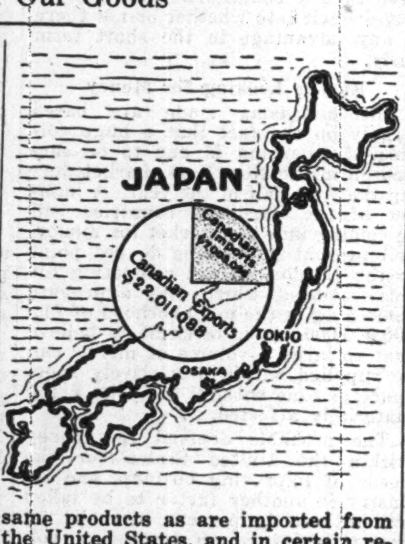


FOREIGN TRADE OPPORTUNITIES—No. 4

Japan Fights for Third Place in Trade With Canada

Giant of the Orient Making Fine Recovery From Financial Depression and Earthquake — Needs Much Larger Quantity of Our Goods

Japan has come forward rapidly as a consumer of Canadian produce and is challenging Germany for third place in imports of Canadian goods. With approximately the same population as Germany there is much similarity between these two nations, as there is also in our trade with them. In the last fiscal year Japan imported $22,011,088 worth of our goods and we purchased $7,500,056 worth of Japanese goods. Japan has a population of 60,000,000 people, or more than 75,000,000 if Korea and the other islands are included. The national wealth of the country is estimated at something over $30,000,000,000 and the natural resources are just beginning to be seriously developed. As the Pacific becomes more important in world commerce it is highly probable that trade between Japan and the other countries of the world will build up very rapidly, and Canada bids fair to receive her proper share of this business. We are obviously not getting such a share of Japanese trade as yet; their total imports have reached as high as $1,000,000,000 and nearly 40 per cent. of this comes from the United States. We have the same products with which to supply Japan as has the United States, and the only conclusion that can be arrived at is that we have not paid sufficient attention to the development of this important branch of our foreign business.



Has Huge Buying Power

While Japan suffered very severely from the disastrous earthquake of two years ago and also the financial crisis preceding that, the nation is rapidly getting back on its feet. Every effort is being made to develop the resources of the country; railways are being electrified in certain sections; foreign capital is being brought in to develop industry, and a large surplus of capital available for investment is developing at home.

The chief products exported to Japan by Canada in the order of their importance are—wheat, sulphite pulp, zinc, lead, dried fish, lumber, flour, aluminum and paper. They also purchase from us large quantities of asbestos, automobiles and tires, nickel and iron bars. These are much the same products as are imported from the United States, and in certain respects we have the advantage, as in the case of wheat and flour. By far the largest items in our imports from Japan are silk and silk goods, which amount to nearly $3,000,000 a year. The next important items are tea, pottery and china, oranges, cotton goods, brushes, etc. A certain amount of rice is also imported.

The monetary unit of Japan is the yen, which is valued at 49.85 cents. There are gold coins in use of five, ten and twenty yen pieces. The note issue of the state is in the hands of the Central Bank in Japan, which is a privately-owned institution under Government control. The gold standard is in force in Japan normally.

While it is sometimes difficult to obtain credit information on the trading firms of Japan, our leading banks have reliable correspondents there and can obtain accurate credit information promptly. From them as well as from Japan's trade representatives in Canada, complete data with regard to shipping requirements and documentation can be had.

Our trade with Japan during the past three fiscal years was:

	Can. Imports	Can. Exports
1923	$7,211,015	$14,510,133
1924	6,298,201	26,991,860
1925	7,005,056	22,011,088

Government Maps . . . Give Good Service

The Canadian government through the Natural Resources Intelligence Service of the Department of the Interior, issues a number of maps which have been and are of great value in promoting the settlement of the land and in increasing the commercial activities of Canada's business interests. In a young and growing country, geographical and economic maps are essential. In Western Canada practically all settlement is carried on by means of maps, for which purpose the above service has issued the series of homestead maps. These show the location of the lands and their disposition, as well as other features that may enhance or detract from its value.

In foreign trade promotion, maps serve a useful purpose. Owing to the immensity of Canada's area, importers of Canadian goods require to know something of the country where these are produced. In a letter received recently by the Natural Resources Intelligence Service of the Department of the Interior from a firm in Cuba, the writer in thanking the service for maps supplied on request says: "These maps will be of great service to me, as I represent and maintain business relations with a number of New Brunswick firms. I have sold many shiploads of New Brunswick potatoes throughout the British West Indies and it is my intention to maintain and increase my business in products from New Brunswick." Trade commissioners and British consular officers in foreign fields, immigration officers, and freight and passenger officials of the railways make use of maps to a very great extent in their work, and many thousands are supplied by the Natural Resources Intelligence Service for this purpose.

The tremendous growth of motor tourist traffic is due in no small measure to the provision of road maps; this use of maps also has done much to increase interest in maps in general. The above service has recently issued a road map of Canada, showing also connecting highways in the bordering states. An enormous demand is reported for this map from across the line.

Maps constitute a wonderful educational feature and a few minutes of intensive study of the Canadian map will reveal much interesting information concerning our vast areas and will well repay the time given to it.

CATTLE SHIPMENTS TO BRITAIN

MONTREAL.—Canadian cattle shipments to Great Britain, since the British embargo was lifted in April, 1923, up to the end of May of the present year, totalled 156,675 head. The estimated value of these exports was $14,135,715.

DOMINION OF CANADA LOAN 1925

THE BANK OF MONTREAL at all its Branches will accept applications for the new Dominion Government bonds either from new subscribers for cash or from holders of War Loan 5% bonds maturing 1st December, 1925, who wish to re-employ the money by purchasing bonds of the new issue. For the convenience of the latter, arrangements may be made with this bank to defer payments for the new bonds until December 1st.

Full particulars will be gladly furnished at any branch of the BANK OF MONTREAL

Investment Securities

OUR Bond Department was established to guide the investments of the Bank's clients into the sure and safe haven of the highest class securities.

Our Bond Department is always glad to buy or sell for you—in any amount from the smallest bond to the largest allotment.

Capital and Reserve $14,500,000.00
Total Assets $115,619,838.00

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A. E. PHIPPS, General Manager.
12

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The Bank of Nova Scotia
Established 1832
Capital ....$ 10,000,000
Reserve Fund 19,500,000
Total Assets 226,000,000
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J. A. McLEOD, General Manager.
Branches at all the principal centres throughout Canada and in Newfoundland, Cuba, Porto Rico, Dominican Republic, Jamaica, and in the United States at—
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Reserve Fund and Undivided Profits - - $8,000,000
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E. W. Hamber, President, British Columbia Mills Timber & Trading Co., Ltd., Vancouver
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Wilmot L. Matthews, President, Canada Malting Co., Ltd., Toronto
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H. H. Williams, Retired, Toronto
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DUKE-PRICE POWER PURCHASE MADE TO AVOID COMPETITION

Journal-Press Says Aluminum Co. Choked Enemy to Death With Money

Intimation that the development of Aluminum Co. of America in Canada through a subsidiary Aluminum Co. of Canada, was practically forced by the Duke-Price power interests, is given by Engineering and Mining Journal Press, New York. In an article headed "The Cat and the Canary," it says that Duke threatened to go into the aluminum business and because of the ability of his interests to produce an abundance of cheap power the Aluminum Co. was faced with the prospect of a competitor that would undersell it.

The article reveals the fact that for the lower power site at Chute a Caron Duke has received $16,000,000 and more, as well as a very profitable installation contract as well as a contract for power from the upper plant while the lower is being developed. Incidentally it wonders if there will now be any move to lower the United States tariff on aluminum. The story will hardly be pleasant reading for Baltimore, which was to have got the new plant of the Aluminum Co. The article reads:

THE CAT AND THE CANARY

There will be no fight between the Aluminum Co. of America and the Duke interests. For a time it seemed that the latter had an excellent chance to enter the aluminum production field. Cheap power, bauxite, and abundant capital are essential for this purpose—Duke had all three, and the ambition to make aluminum. On the other hand, the Aluminum Co. was said to have been short of power to carry out its plans and had even been buying it from Duke, in the south, on a contract that was almost ready to expire. In Quebec, on the Saguenay, were two remarkable power sites owned by the Duke-Price interests, who had almost completed the development of the upper site and were prepared to begin work on the lower, which by itself could develop 600,000 h.p., it was said. Bauxite ore from the Guianas could be brought in ocean bottoms and delivered directly to a plant erected at this lower site. Thus Duke was in a position to produce not merely cheap aluminum, but probably the cheapest.

This budding competition has now been killed by kindness, kindness that recalls the death that Croesus died when his enemies poured molten gold down his throat. No facts have been definitely determined—they rarely are where the Aluminum Co. is concerned—and the gentlemen involved are on vacations, but it is rumored that for the lower power site alone the Aluminum Co. paid Duke $16,000,000 and more, and has given him the contract to build the dam and power plant it calls for. This will be a source of further easy profit to Mr. Duke and his associates, for the upper plant now is practically complete, the working force can be readily transferred, and the cost of the construction plant has already been written off. Besides, the Aluminum Co. has agreed to purchase power from the upper plant, now ready, until its own plant at the lower site is finished. Thus enemies are choked to death with money. Thus also the cat has swallowed the canary, that might otherwise have grown up to be an ostrich.

Following the purchase, construction work is said to have been suspended on the Aluminum Co's. new oxide plant at Baltimore. This was intended ultimately to take the place of the present oxide plant at East St. Louis, Ill., which runs on bauxite, two-thirds domestic and one-third from Dutch Guiana, and which supplies oxide to the company's metal-producing plants at Baden, N. C.; in Tennessee, and at Niagara and Messina, in New York. Foreseeing the day when its Arkansas deposits shall be exhausted, the company has been erecting the new oxide plant at Baltimore to treat its Guiana ore directly on the seaboard. But the proposed plant on the Saguenay will make this Baltimore plant unnecessary.

Perhaps with the Aluminum Co. making a large part of its aluminum at low cost on the Saguenay, it will not want the tariff that it now enjoys. Or will it still need protection against itself?

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At your service with your every trust company need
STRENGTH—SECURITY EXPERIENCE
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Charlottetown, P.E.I.
MONTREAL—138 St. James St.
"We go on forever."

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

Hudson's Bay Company Has Immigration Plan

WINNIPEG.—The governor and committee of the Hudson's Bay Co. announce the formation of a new company to deal with immigration and land settlement in Canada. They are associated in this enterprise with important British steamship interests through their organization in Great Britain and the continent of Europe for transportation of the necessary farm laborers and settlers.

The company will be known as the Hudson's Bay Co. Overseas Settlement, Ltd. It is expected that the organization will begin to function early in 1926.

Why the Eaton Groceterias in the Western Provinces?

One of the most interesting of recent developments in the Western grocery trade has been the advent of the T. Eaton Co. groceterias. During the past few months, the big departmental company has opened such establishments at Calgary, Edmonton, Moose Jaw and Brandon. They have been operating groceterias in connection with their mail-order houses at Regina and Saskatchewan for some years, and have had a groceteria in the Winnipeg store for over ten years. The latter was Western Canada's first groceteria.

There is a reason for everything, so it is only natural that the trade should ask why have these groceterias been opened, says Canadian Grocer. Why have they? There are many reasons advanced, but two or three seem to stand out as perhaps the most likely. One of these, according to a prominent Winnipeg wholesale grocer, was probably to head off the possible establishment of branch stores by certain grocery chains who have had eyes on Western Canada as a suitable place to extend their business. In view of reports that were current a couple of months ago to the effect that Eastern chains were seriously considering entering Western Canada, this move on the part of the T. Eaton Co. seems to have been a logical one. Several other Winnipeg wholesalers agree that this very probability played a large part in the decision to establish a chain of groceterias under the Eaton name.

Other Departments Gain

Another prominent member of the trade, J. H. Curle, secretary of the Manitoba Retail Merchants' Association, stated that in his opinion that was one of the two reasons. He suggested that the other may have been the favorable impression as to prices which the Eaton groceterias give to other departments of their business. "By opening these shops in the various cities the public are put in closer contact with the firm, and this contact is taken advantage of. Their prices can be put perhaps a trifle lower than in competing stores by virtue of the larger buying power, and when the housewife sees that grocery commodities are a little cheaper, she may get the impression that everything the firm sells through their catalog is likewise cheaper; and she acts accordingly. In this way the company can build up their mail order business to an even greater size."

Rumor of Mail Order Houses

There are one or two other things that may have entered into the decision. One of these may have been to offset the establishment of branches by Chicago mail-order houses, for earlier in the year it was widely rumored that a certain American catalog house was about to open Western Canadian branches. Then, too, the Eaton company will undoubtedly gain a certain amount of local favor by establishing houses in various Western cities and perhaps to some extent stimulating local business. This method of building up goodwill cannot be gainsaid.

Stimulate Advertising

A newspaperman in a city where an Eaton groceteria has been established recently stated that the advent had been responsible for a real increase in advertising by local merchants, who realized that the new competition must either be met in a whole-hearted way or they must go out of business. At first this advertising man feared that Eatons would do all the advertising and the other retailers none or very little of it. His fears grew worse the week before the opening. Eatons took a half page to announce their groceteria and followed this up several weeks with similar space. During this time the other merchants laid low to see just what would happen and then they began using the same weapon, advertising, to meet the new competition, with the result that now more advertising is being done by local stores than ever before.

WEST REPORTING BETTER BUSINESS

Confirmation of Earlier Forecasts Made by The Financial Post

WINNIPEG.—There are certainly no boom times in store for Western Canada, but most every Western business man seems to hold the belief that this country is definitely in an improved position over not only a year ago, but over the past several years, and, included in those holding this belief, are many in the grocery trade. In fact, it is generally beblieved here that the increased buying power is just as faithfully reflected in food circles as it is in hardware or dry goods.

One of the prominent men in the Western grocery trade who reports decided improvement this season is George J. Cameron, manager, W. L. Mackenzie & Co., grocery brokers, with head office in this city and branches in Regina, Saskatoon, Moose Jaw, Calgary, Edmonton, Vancouver and Fort William.

"There has been a genuine improvement in the Western grocery trade since the first of the present year, and particularly since the middle of July has this been noted," he said to Canadian Grocer. "Business in every one of our branches has increased by leaps and bounds since that date, not on one or two lines, but in practically every line.

"Unless something happens which at present is quite impossible to foresee," Mr. Cameron stated, "the present improvement will be continued right on through the fall months and into next year. In fact, I believe that the West has during the past month definitely turned a very important corner in its travel towards progress, and without wishing to be optimistic for optimism's sake alone, will say that the day of sounder business throughout the West seems to have dawned."

CATTLE BAN NOT HELPING THE U. S.

On the Other Hand, Canadians Are Banned From the Market

Spokesmen for Canadian cattlemen on the prairies, in greeting American agricultural editors, who are touring the West, told them at a Calgary banquet that the time has come when Canada should use her tariffs to bargain with the United States and secure the removal of the prohibitive duty on Canadian cattle. However, the country wanted goodwill and neighborliness with the United States and Canadians had no desire of using reprisals in bringing about the desired end.

D. E. Riley, High River, Alberta, cattleman, said:

"For eight or nine years when we had free trade in cattle with U. S., we shipped cattle in large numbers to the States.

"The Fordney Emergency tariff since 1922 had practically killed the export industry.

"The tariff has not put up the price of beef in U. S., and it has put down the price here by two cents.

"It has hurt the U. S. by cutting off the supply of stock and feeder cattle for the pens of the corn-growing states. It is estimated that Canada has lost $15,000,000 a year because of this tariff.

"If the American tariff is not benefiting the United States, and is hurting the Dominion, why is a change not made?

"There was a shortage of 300,000 in the number of cattle that should be going to the States."

LENT, MACKAY & CO.
Barristers, Solicitors, Notaries, etc.
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Alex. B. Mackay, M.A., LL.B.,
Solicitors for Standard Bank of Canada.
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Bureau of Canadian Information
Ask the Canadian Pacific about Canada — CANADIAN PACIFIC
THE Canadian Pacific Railway through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In our Reference Libraries are complete data on natural resources, climate, labor, transportation, business openings, etc. Additional data are constantly being added.
Development Branch——If you are interested in the mining wealth and industry of Canada or in the development or supply of industrial raw materials available from resources along the Canadian Pacific Railway, you are invited to consult this Branch. An expert staff is maintained to investigate information relative to these resources and examine deposits in the field. Practical information as to special opportunities for development, use of by-products and markets, industrial crops, prospecting and mining.
"Ask the Canadian Pacific about Canada" is not a mere advertising slogan. It is an intimation of service—without charge or obligation—that the information is available and will be promptly forthcoming to those who desire it.
Canadian Pacific Railway Company
Department Colonization and Development.
J. S. DENNIS, Chief Commissioner. — Windsor Station, Montreal, Can.

Investigate before Investing
NO country in the world offers greater opportunities for human enterprise—for the safe, sane investment of capital in mining, lumbering, water powers, manufacturing and other industries—than Canada.
We welcome enquiries on every aspect of Canadian natural resources. Our Bureau of Information will be glad to advise you.
Call or write:
C. Price-Green, Commissioner, Natural Resources Branch, C.N.R. Offices, Montreal, P.Q. or C. T. Young, 1 Toronto St., Toronto, Ont.
CANADIAN NATIONAL RAILWAYS

DUNCAN and BELL
Barristers and Solicitors.
Lewis Duncan H. Brooke Bell
Lewis Duncan, Author of "The Law and Practice of Bankruptcy in Canada."
Wilson Building, 73 Adelaide St. West, Toronto, Canada. — Cable Address: "Bankruptcy" Toronto.

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Financial Assistance
to Estates being administered by it
PAID UP CAPITAL AND RESERVE $1,259,430.36
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Executor, Administrator, Assignee, Trustee, Etc.
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Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver, and Victoria.

Against Fire and Theft
PUT your documents and other valuables in a Safety Deposit Box. The cost is nominal. Any one of our managers will be pleased to give you particulars of this service. 40
THE CANADIAN BANK OF COMMERCE
Capital Paid Up $20,000,000
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New York Stocks and Grain Futures
Our direct private wire connections enable us to offer prompt and efficient service in the execution of orders on The New York Stock Exchange, The Chicago Board of Trade and Winnipeg Grain Exchange.
Splendid Board Room and Ticker Service—Conveniently Located on the Main Rotunda Floor, King Edward Hotel. Toronto.
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Consult us before extending credit or if customers are delinquent.
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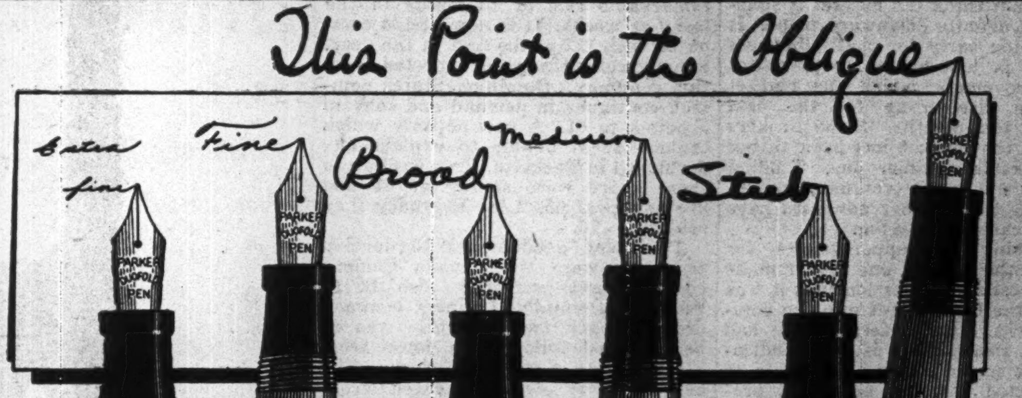

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Duofold Oblique
Guaranteed, like the five other Duofold Points, for 25 Years
Each way you hold it gives a Separate Effect
And each Effect an Interesting Hand
PARKER now introduces in the handsome Duofold Pen a point that produces a style in handwriting full of new interest and charm.
Held one way, this point makes slender down-strokes, accented by wide, shaded curves at top and bottom. Held another, it writes with the opposite effect—letters thin-curved, with wide, shaded sides.
We call this point the Parker Duofold Oblique. And a freer, smoother, softer-writing point has never been created.
This point makes the Sixth you can get in Parker Pens, and every one guaranteed, if not misused, for 25 years.
And the kind of writing you do and how you hold your pen make a big difference in the kind of point that your hand will respond to and delight in. Whichever it is, you can get it in any Parker Duofold at $5 or $7, depending on the size.
And each point is set in a shapely, balanced barrel that gives your hand free swing. A barrel of conventional black, or of black-tipped, lacquer-red—the color that's handsome to own and hard to mislay.
In a test not long ago, 8 men out of 10 picked this Parker blindfolded, from 11 new pens of various makes. Try it yourself, with your eyes shut, at any nearby pen counter.
THE PARKER FOUNTAIN PEN CO., Limited
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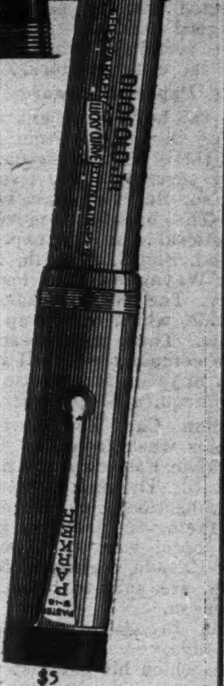
Duofold Pencils to match the Pens: Lady, $3; Over-size Jr., $3.50; "Big Brother" Over-size, $4

$5 Duofold Jr. in black-tipped lacquer-red or in conventional plain black
Made in Canada—Same Price as in the States
Parker Lucky Curve Duofold With The 25 Year Point — Over-size $7
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Lady Duofold $5 With ring for chatelaine
Rivals the beauty of the Scarlet Tanager

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The Securities Markets

MARKET SHOWS A TENDENCY TO REACT; GOOD STOCKS DOWN

Brokers Say Weakness is to be Expected After Long Upward Move

Market Indicator
20 Industrial Stocks

	High	Low
Week of Sept. 9	82.9	80.2
Week of Sept. 3	83.4	79.6
Mth. of Sept., '24	.70.8	67.5

Quite a reactionary tendency, the strongest of the holiday season, has made its appearance in the stock list during the past couple of weeks. Some of the best stocks have felt the pressure. There has been a lot of talk about the market being too high and a couple of weeks ago The Financial Post reviewed the whole list to show the advances which have been recorded since the first of the year. The table showed that advances had been generous in proportion and fairly general.

Discussing the declines of the past couple of weeks with brokers, the opinion is gathered that they are the expected reactions where there has been a steady upward movement. They do not think the market is shaping for a definite downward trend. It is much too early for that. Business they say is just beginning to reflect the improvement which the market has been discounting for the past eight or ten months. Some brokers say that the market has been rather a remarkable summer one. Trading has kept up in fair volume throughout, while the summer advances have in many cases been extensive.

Discussing the opportunities for profit on the market, one broker made the interesting suggestion that it was nearing the time to get into the common stocks. The preferred have had excellent rises. There is every indication that much better business is to be expected and any period of prolonged good business and generous profits, is certain to bring greater reward to the common stocks.

Papers Backward

While the buying of bank shares is not going on in the same generous volume, there is still demand enough to carry several of the issues up a point or so. Reactions have been fractional. The backward movement is quite noticeable in the paper group. Provincial, Smith, Spanish, St. Maurice and Wayagamack all lost a point or better. The one good advance was Laurentide, which moved up a couple of points. There have been rumors that the company will sell its power plant to Shawinigan and use the proceeds to acquire Belgo paper.

Canadian Car has moved up 5 points this week from 34. The stock was at 57 in February and has steadily declined. The new interest is said to be a reflection of the better outlook that is facing the industry generally. Ontario Steel was up 4 points and Steel of Canada slightly better. These advances are said to be due to the same reason.

Canada Bread issues continue to pile up advances. Maple Leaf milling common, which hit par last week, reacted slightly. The preferred held firmly at par.

Mexican Light, both preferred and common, were the only utility issues to make better levels. The common is now at 34 compared with 22 the first of the year, while the preferred is up 6 to 63. Bell Telephone, Mackay common, Ottawa L. H. and P., Quebec Power, Shawinigan and Southern Canada power, a strong group of good utilities, all registered declines. All these companies are in excellent shape.

The same would apply to the Tractions. C. P. R. and Canada Steamships, preferred and common, while hardly properly grouped, may be considered in the general transportation group. All three are selling at lower levels than a week ago. The same with both issues of Winnipeg Electric. Ottawa Traction was slightly stronger, while Brazilian was the only issue showing a real advance.

Dominion Textile and Penman's, which all year have provided the leadership for the textiles and which had a decline some weeks ago, are both on a better basis now. The former firmed 4 and the latter 2 points.

Industrials Active

There was a wide range of activity in the general industrials. Asbestos Corporation common is now at 94½ moving up in the week from 85. This is a new high mark, and compared with 83 in July when the merger talk was at its height. At that time the preferred sold at 115 and is now 112, having advanced three points this week. Canada Salt has had a rather remarkable rise of 18 points in the last few weeks. It is now at 154 compared with 112 at the first of the year. Some excellent news is expected from this company. Dominion Stores common continues in demand and sold up 5 points to 61. A new activity which brokers seem unable to explain has developed in Tucketts. Two weeks ago these share were selling at 61 and are now past 65. Last February they sold up to 70.

Two very good issues to develop weakness were the Canada Cement common and preferred, also B. C. Fishing. Dominion Canners common dropped back two, but this was to be expected following a jump from 110 to 136 in a couple of weeks. The new Canners common eased from above 14 to 13 and a fraction. The new preferred is at 68.

The trend of the market is shown in the following table:

Group	Gains	Loss	Unch.	Ttl.
Banks	4	2	3	9
Paper	3	6	2	11
Steel	4	1	4	9
Milling	2	1	5	8
Utilities	2	6	4	12
Tractions	3	6	3	12
Textiles	2	1	7	10
Industrial	7	5	21	33
	27	28	49	104

Hearst Music Creditors Get a 40% Payment

Hearst Music Publishing Co. creditors, most of whom are in Winnipeg, got a surprise lately in the shape of dividend cheques for 40 per cent. of their claims. About $13,000 was distributed.

Recovery of approximately $79,000 paid to the Dominion Government as excess profits tax during the time of the company's operations, which the trustees proved to be an overpayment; reduction in amounts of claim filed against the estate and realization of moneys on the estate assets, provided the means for payment of the dividend.

Bond Houses Cast Lots to Sell Dominion Bonds

Lots were drawn at the Ottawa City Hall this week by twenty-five local represenatives of Canadian security and bond houses to decide who would sell the corporation $620,000 worth of Dominion Government bonds.

All the firms had been notified of the sale and were told that only the syndicate price would be accepted. The price being the same, the names of all the firms were thrown in a hat and the city treasurer performed the draw. This resulted in Hanson Bros., of Montreal, getting the big contract.

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Sterling Appraisal Co. Limited
9-11 E. Wellington St., Toronto

GET $50 FOR EACH DOLLAR SHARE HELD

Sally Group Near Penticton, B.C., Bought by Guggenheims For $500,000

Wallace Mountain Mines Ltd., holding a group of 13 silver claims on Wallace Mountain in Penticton, B.C., has been sold to Guggenheim interests as represented by Federal Mining & Smelting for $500,000, or about $50 per share, for the company's 10,000 shares of $1 par value.

The claims are known as the Sally Group and the past few years have proven a profitable operation. In 1924 the company paid 500 per cent. dividend.

The claims were originally staked and worked twenty-five years ago by the late Robert Wood and his associates, but little progress was made in coping with insufficient capital and lack of transportation. About seven years ago the company was taken over almost entirely by Penticton citizens, who will make an immense profit.

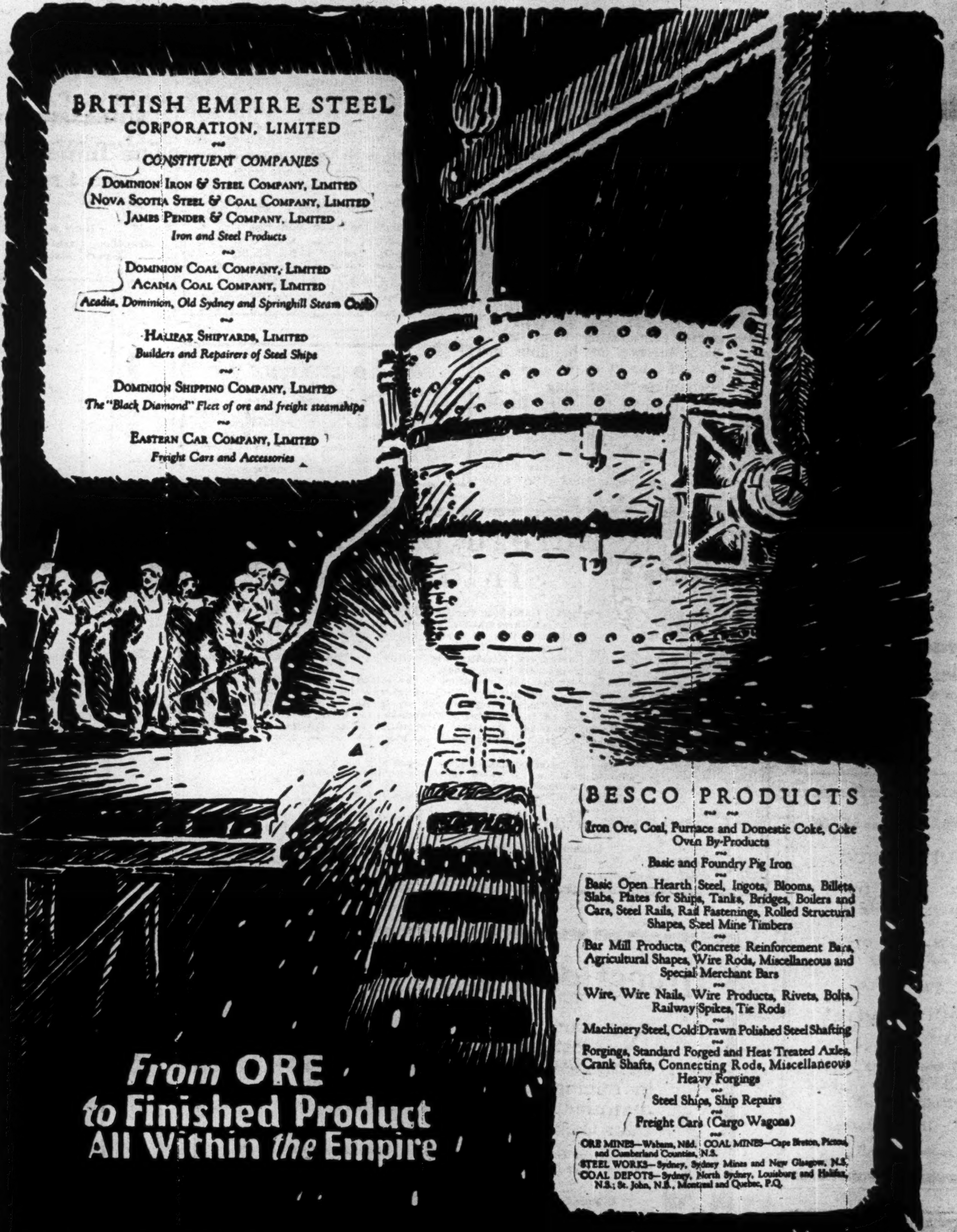
The Federal Mining & Smelting Company have been active on Wallace Mountain for some years past, and have a number of other claims besides the newly acquired Sally group with more under option. It is understood that a concentrator will be established at Beaverdell, although there is no large quantity of low-grade ore on the hill at present, producing mines being able to ship the whole of their ore after sorting.

Appo Krisp Limited Sells Preferred Stock

An issue of $200,000, 8 per cent. cumulative preferred stock of Appo Krisp Limited is being issued by Frank M. Ruggles, of Bridgetown, N.S. Common stock also is being issued to the extent of $300,000. One share of common and one of preferred together are being sold for $110 per unit.

The Appo Krisp company is engaged in the output and marketing of fruit by-products, especially of apples. Appo Krisp is a cereal produced from apples. The purpose of the present financing is to provide manufacturing facilities, advertising funds and selling campaigns to enable the firm to take advantage of the market for the product. It is argued that the whole trend of public buying for more than a generation has been in the direction of ready-to-eat foods. The output of such foods in Canada alone now exceeds $4,000,000 annually.

The only indebtedness of the company is a $7,000, 5-year debenture given in part payment for patents.



WOOLLEN PLANTS TO BE AFFECTED BY THE ELECTION

Increase in Protection for Industry Would be a Boon

From Our Own Correspondent.

MONTREAL. — Most Canadian woollen manufacturers during the past few years have been going through troublous times, due to the competition from continental countries with depreciated currencies, and also to the British preferential tariff. The woollen manufacturers contend that, should the British preference be reduced only slightly, they would be able to make money. Many of these companies now are able, and only able, to keep their heads above water. This being so, it appears reasonable to suppose that the manufacturers, could they obtain but a slight increase in protection, would, through the lessened competition, be able to produce goods which are now imported.

In other words, most of the mills are running on part time; should they be allowed to expand their trade, it would mean that prices would not move upward due to the increase in production. As far as the free trader, who believes that there would not be sufficient competition to keep prices down, is concerned, the textile people declare that probably the keenest industrial competition in Canada is experienced by the woollen manufacturers, which ensures fair prices.

Many woollen manufacturers at present feel that it is principally the keen competition, and not only the low tariff, which prevents them obtaining a bigger share of the orders in this country. In other words, the selling cost of the finished product is considerably increased due to the larger sales effort necessary.

One way to remove this factor is by reducing the British preferential and possibly other adjustments which would prevent the dumping of goods from European countries with depreciated currencies.

As far as the investor in textile securities is concerned, he cannot fail but watch the forthcoming elections with much interest, for, should the Conservatives be returned to power, it is generally expected that they would take some action with regard to dealing with the situation which exists in this industry as a whole. It would seem, therefore, that if a Conservative majority is elected, the woollen textile stocks will certainly be a good buy, while should the liberals again be returned, the outlook, as far as the woollen stocks are concerned, would not be very promising.

International Nickel Has Big Deal on With Ford

International Nickel seems to have made a good stroke in getting Ford Motor to put nickel radiators on their cars. This will mean a material increase in the consumption of monel metal by the auto industry. It is just another advance step in supplementing the spasmodic war material demand with a line of steady industrial uses. All this has come about by the nickel industry facing the dire necessity of finding a new market for its products and setting about to do so in the right way.

Ontario Steel Products is Not on 5% Dividend

MONTREAL. — The improvement in the business of the Ontario Steel Products, as exemplified in July when the directors declared a bonus of one per cent., in addition to the regular quarterly dividend of like amount on the common stock of the company, has evidently been taken by some to mean that the regular dividend will be five per cent. from now on. According to well informed circles, such will not be the case. The directors will, no doubt, follow a very conservative dividend policy, having had their bitter lesson in this connection and before increasing the regular dividend rate they will probably give some attention to the goodwill account which is still in evidence in the balance sheet.

National Cement Co. Has New Directors

MONTREAL.—At a special general meeting of the National Cement Company held this week, many changes were made in the board of directors. The new board is as follows:

Hon. J. M. Wilson, Donat Raymond, Hon. Georges Simard, L. H. Timmins, E. C. Vidricaire, Richard K. Meade, Jos. Versailles.

The Stock Market Record

WEEK ENDING SEPTEMBER 8

	Div. Rate	Yield Sept. 7	High for wk.	Low for wk.	Close Sept. 8	Close Sept. 1	Sales	Range 1925 High	Low
Banks—									
Commerce	12	5.68	211½	208½	211½	208½	193	211½	195
Dominion	12+1	6.33	206	204	205	206	113	206	189
Can. Nationale	10	6.62	151	151	151	150	5	151	148
Imperial	12	6.15	196	195	195	196	64	200	184
Montreal	12	4.70	256¾	255	256¾	254	162	256¾	240
Nova Scotia	16	5.74	279	277½	278½	279	89	280	262
Royal	12	5.06	289	237	237½	239	198	239	227½
Standard	12	6.44	186½	186	186	186½	69	186½	170
Toronto	12	5.79	207½	207½	207½	207	4	208	192½
Paper—									
Abitibi, com.	4	6.29	64¾	63½	64½	65	1212	75	62
Do. pref.	7	6.54	..	..	..	..	..	108	101
Brompton Pulp	.	....	22½	21	21½	21	875	33½	18½
Laurentide	6	7.76	79½	77	79½	77½	1995	85½	73
Price Bros.	2	3.88	52½	50½	51½	50½	2450	55½	35½
Prov. Paper, com.	6	5.88	102	102	102	104	30	111½	88½
Do. pref.	7	7.07	99	99	99	98½	7	102	95
Belgo, com.	6	7.50	80	80	80	82	125	86	80
Do. pref.	7	7.21	97	95	95	97	56	99	95
Smith, Howard, com.	.	....	41	39	40	41	155	47	21½
Do. pref.	8	8.00	100	100	100	100½	60	106	69½
Spanish River, com.	7	7.07	100	98	99½	102	2681	111½	87
Do. pref.	7	6.30	111½	110½	110½	112	503	127	110½
St. Maurice Paper	6	7.50	80	80	80	83	70	86½	80
Wayagamack	.	....	52¾	52	52	52½	94	55	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	2	1⅞	2	2	250	3¼	1½
Do. 1st pref.	.	....	25	24	25	24½	225	34	22
Do. 2nd pref.	.	....	7⅜	7½	7½	7⅜	430	11½	6½
Can. Car & Found., com.	.	....	39	34	39	34	195	57½	34
Do. pref.	7	8.43	82	81	82	81	100	90½	78
Can. Foundries, com.	.	....	..	..	..	..	..	35	20
Do. pref.	.	....	..	..	..	..	..	50	40
Can. Locomotive, com.	.	....	..	..	..	..	..	71⅜	64
Do. pref.	7	8.33	84⅜	78	78	78	61	90	76
Dominion Coal	.	....	..	..	..	..	..	50	39½
Dominion Iron, pref.	.	....	..	..	..	..	..	28	20
Dominion Radiator	7	7.07	99½	98½	99	100	110	102½	98½
Dominion-Bridge	4	4.10	99	97	99	99½	1120	99½	77
Dom. Steel Corp., pref.	.	....	..	..	..	..	..	38	24½
N.S. Steel, pref.	.	....	..	..	..	..	..	32	24
Ontario Steel, com.	4	6.45	62	58⅜	62	58	310	62	43
Do. pref.	7	7.14	98	97	98	98½	12	100	91½
Canada Iron, com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	35	34
Steel of Canada, com.	7	7.88	89½	88	88½	89½	981	92	80
Do. pref.	7	6.25	112	111	112	112	87	112½	105
Milling—									
Canada Bread, com.	4	6.50	61½	55½	60	57½	1982	130	39½
Do. pref.	7	6.60	106	106	106	106½	25	107½	100
Do. pref. (B)	.	....	95½	94½	95½	94⅞	480	95½	85½
Inter. Milling, pref.	7	7.21	97	97	97	96½	34	102	96½
Lake of Woods, com.	12	6.66	180½	180	180½	180	51	188	176
Do. pref.	7	5.69	..	..	..	..	..	125½	121
Maple Leaf, com.	.	....	99½	96	96	98	472	100	80
Do. pref.	7	7.00	100	99½	100	100	286	101	96
Ogilvie Flour, com.	3½	2.16	174	170	174	172	225	180½	135
Do. pref.	7	5.55	..	..	..	..	..	127	121½
Shredded Wheat, com.	10	....	..	..	..	..	..	155	148
St. Law. Flour, com.	4	....	30½	30½	30½	31	25	65	27
Do. pref.	7	8.75	..	..	..	..	..	80	78½
West. Can. Flour	8	7.40	108	108	108	108	20	112	107
Utilities—									
Bell Telephone	8	5.67	141½	140	140	141	615	141½	132½
Consumers Gas	10	5.84	171	171	171	172½	51	173	164
Laurentide Power	5	4.63	..	..	..	..	..	108	93½
Kaministiquia	8	6.50	123	123	123	122	25	125	100
Mackay, com.	7	5.38	130½	129½	130	132	177	135	114½
Do. pref.	4	5.81	70	68½	70	69½	244	70	67
Mexican Light, com.	.	....	34	33	34	28	50	34	22
Do. pref.	.	....	63	63	63	63	70	63	57
Mont. L. H. & Pr. Cons.	8	3.84	208½	204	208	208	6257	212	152
Montreal Telegraph	8	6.80	47	46½	47	47	70	53	45
Ottawa L. H. & Pr.	6	5.94	101	98½	98½	101	105	103½	95
Do. pref.	6½	6.19	..	..	..	..	..	109	100
Quebec Power, com.	5	4.42	114	112	112	114½	451	119	85
Do. pref.	7	6.33	110½	110½	110½	110	123	111	103½
Shawinigan	7	4.24	166½	164	165	166½	974	175	130½
South. Can. Power, com.	1.00	....	77½	75	75	80	160	84	67
Jamaica Pub. Ser., pref.	7	7.12	98½	98½	98½	98½	122	98½	98
Transportation—									
Can. Pacific Rly.	10	7.01	143	141⅜	142½	145½	185	152½	137
Can. Steamships, com.	.	....	11	11	11	12½	20	13½	10
Do. pref.	.	....	48½	45½	45½	48	1382	50½	42
Tractions—									
Barcelona	.	....	21	20½	20⅞	20½	460	24⅛	18½
Brazilian	4	5.35	74⅜	68	73½	69½	79531	74⅛	49½
Detroit Un. Rly.	.	....	½	½	½	½	60	29	½
Duluth-Superior	.	....	33½	33½	33½	34	142	42	33
Illinois Traction, pref.	6	6.28	95½	95½	95½	95½	5	95½	92
Montreal Trams.	10	5.40	..	..	..	..	..	187	165
Ottawa Traction	4+1	7.51	66½	65⅛	66	64	136	66½	61
Porto Rico Rlys., com.	.	....	..	..	..	..	..	46⅛	35½
Do. pref.	7	7.86	89	89	89	88	45	91½	84
Quebec Rly.	.	....	..	..	..	..	..	24½	20
Twin City, com.	4	6.55	61	60	60½	60½	798	70	58
Do. pref.	7	....	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	51	47	47½	51½	1930	53⅛	35½
Do. pref.	7	7.25	97	96	96	97	110	99½	87
Textiles—									
Can. Conn. Cotton, pref.	1	....	..	..	..	..	..	50	39
Can. Converters	7	7.86	89	87	89	89	753	90	80
Can. Cottons, com.	8	6.80	118	117½	117½	118½	14	120	106
Do. pref.	6	6.31	..	..	..	..	..	95½	90
Can. Woollens, com.	.	....	..	..	..	..	..	14½	5½
Do. pref.	.	....	50	49	49	50	100	58	40
Dom. Textile, com.	5	5.69	90	85½	89½	85½	4675	90	66
Do. pref.	7	5.98	..	..	..	..	..	117½	111
Monarch Knitting, com.	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	..	..	..	..	..	80	45
Montreal Cotton, com.	6	5.71	..	..	..	..	..	105	95
Do. pref.	7	6.25	112	112	112	112	20	114½	109
Penmans, com.	8	5.06	160	158	160	159	196	166	144
Do. pref.	6	5.94	101	101	101	101	10	101	99
Wabasso Cotton	4.00	6.34	..	..	..	..	..	63	55½
General Industrials—									
Amer. Salesbook, com.	4.00	8.51	47	47	47	47	45	50½	38
Do. pref.	7	7.65	91⅜	91½	91½	91½	30	94	88
Brantford Cordage, pref.	2.00	....	27½	26½	27	26½	825	27½	25
Asbestos, com.	1	....	94½	84½	91	85	11997	94½	35
Do. pref.	6	5.31	113	109	112½	108½	4885	117	73½
Atlantic Sugar, com.	.	....	35½	32½	35½	34½	6822	35½	13
Do. pref.	.	....	80	79	80	80	170	81½	40
Bird & Son, pref.	7	8.40	..	..	..	..	..	83½	80
B. C. Fishing	.	....	45	44	44½	45½	995	50	19
Burt. F. N., com.	12	5.17	59	58	58½	59½	335	63	40
Do. pref.	7	....	..	..	..	..	..	213	142½
Canada Cement, com.	6	5.46	111	109	109½	112	1385	114	90½
Do. pref.	7	6.00	116½	116	116½	117	158	117½	107
Can. Canners, com.	.	....	14	12	13	14½	562	14½	12
Do. pref.	.	....	59	56½	57½	60	1484	60	56½
Cons. Rubber, pref.	7	8.23	85	85	85	85	25	90	85
Can. Gen. Electric, com.	.	....	..	..	..	..	..	55	53
Do. pref.	7	6.36	55	54½	55	54½	12	55½	50
Can. Indust. Alcohol	1.28	8.53	16	14½	15½	15⅛	2105	20½	14
Canadian Salt	8	5.26	154	149	154	150	570	154	112
Christie Biscuits, com.	.	....	..	..	..	..	..	60½	31½
Do. pref.	7	....	..	..	..	..	..	118	109½
City Dairy, com.	12	3.41	90	88	89	90	968	90½	65
Do. pref.	7	6.48	..	..	..	..	..	110	104½
Crows Nest Coal	3	....	46½	46½	46½	46	40	49½	35
Cuban Can. Sugar, com.	.	....	6	6	6	6	25	10	5
Do. pref.	.	....	31½	31½	31½	32	50	44½	31
Dom. Canners, com.	7	5.22	134	132	134	136	1015	136	56½
Do. pref.	7	6.19	113	113	113	113	10	113	95⅜
Dom. Glass, com.	7	6.51	108	107½	107½	108	45	116⅞	107
Do. pref.	7	6.16	113½	112	113	112⅜	115	119	110½
Dominion Stores, com.	1.00	....	62½	59½	61	55	720	62½	28
Do. pref.	8	7.76	..	..	..	..	..	104½	97
Wm. A. Davies	.	....	34½	32½	33½	32½	1035	36	24
Eastern Theatres, com.	.	....	..	..	..	..	..	14½	14
Do. pref.	7	9.52	73½	73½	73½	73	5	76	70
Ford Motor	10	....	..	..	..	..	..	512	488
Gilman, com.	.	....	..	..	..	..	..	101	80
Do. pref.	7	6.30	..	..	..	..	..	111½	100½
Goodyear Tire, pref.	7	7.52	93	91½	92½	92	316	100½	90
Frontenac Brew., com.	.	....	..	..	..	..	..	120	54
Do. pref.	7	5.83	..	..	..	..	..	120	100
Holt, Renfrew, pref.	7	8.97	..	..	..	..	..	82	65
Dodge Bros., com.	.	....	..	..	..	..	..	30⅜	22
Do. pref.	7	8.43	83	83	83	82½	10	83½	80½
King Ed. Hotel	.	....	..	..	..	..	..	27	20
Lyall Construction	.	....	..	..	..	..	..	29	11
National Brew., com.	.	....	53⅛	52½	53	52½	3230	68	41½
Do. pref.	7	6.66	105	105	105	100	20	106½	98
National Brick, com.	.	....	16	16	16	15	40	18	15
Do. pref.	7	8.91	..	..	..	..	..	79½	70
Pacific Burt, com.	6	6.66	90	90	90	90	20	96	90
Do. pref.	7	6.89	..	..	..	..	..	107	101
Port Hope Sanitary, com.	.	....	..	..	..	..	..	75	53
Do. pref.	7	7.00	..	..	..	..	..	100	88
Pure Gold Mfg.	50c	....	26½	25	25	26	78	27	23½
Rogers, Wm. A., com.	.	....	51	50	51	51	118	65	50
Do. pref.	7	7.93	88½	88½	88½	90	4	95	88
Russell Motor, com.	.	....	..	..	..	..	..	35	24
Do. pref.	7	8.14	86	85	86	85	10	86	74½
Sawyer-Massey, pref.	.	....	19½	17½	17½	19	50	20⅛	5
Sherwin-Williams, com.	6	4.80	129½	129½	129½	125	10	130	115
Do. pref.	7	6.54	107	107	107	107½	10	110	104½
Sterling Coal	4	10.12	..	..	..	..	..	53	39
Tooke Bros., com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	62⅛	37
Tuckett Tobacco, com.	4	6.25	65½	64	65½	64	90	70	59
Do. pref.	7	7.00	100	100	100	99⅜	75	102½	96½
Woods Mfg., com.	.	....	..	..	..	..	..	38	20
Do. pref.	7	10.14	..	..	..	..	..	75	64⅞
Western Grocers	.	....	..	..	..	..	..	11½	4½
Trust and Loan—									
Canada Landed	10	5.26	95	95	95	95	50	97	80
Can. Permanent	12	5.94	203	202	203	203	4	203	190
Colonial Invest.	6	....	4⅜	4⅜	4⅜	4⅜	12	5	4
Hamilton Prov.	10	6.41	..	..	..	..	..	156	154
Huron & Erie	7	5.38	..	..	..	..	..	130	125
Landed Banking	9	6.33	..	..	..	..	..	142	142
Montreal Loan	12+1	6.76	..	..	..	..	..	48	45
National Trust	12	5.33	..	..	..	..	..	225	210
Ontario Loan	11	5.23	..	..	..	..	..	105	99
Real Estate Loan	7	8.18	85½	85½	85½	87	28	88½	85½
Toronto Gen. Trusts	12	5.58	215	215	215	214	9	215	208
Toronto Mortgage	10+1	6.04	..	..	..	..	..	92	87½
Union Trust	7	7.77	90	90	90	85½	5	90	85½

UNLISTED SECURITIES

Industrials, Utilities, Etc.—

	Bid	Asked
Brooks Steamer (1 pref, 2 com.)	3½	5½
Can. Machinery, com.	3	6
Can. Machinery, pref.	13	17
Canadian Oil, pref.	92	95
Can. Westinghouse, com.	147	152
Cockshutt Plow, pref.	35	38
Cosgrave Brewery	4½	5½
Dom. Power, pref.	93	95
English Electric, pref.	49	52
Famous Players, com.	10½	12½
Gunns, Ltd., pref.	31	34
Imperial Tobacco	6	7
King Edward Hotel Deb. A	72	75
King Edward Hotel Deb. B	51	54
K. & S. Tire, pref.	7	10
Loew's Toronto, com.	27	29
Loew's London, com.	2	2½
Loew's Ottawa, pref.	12	16
Massey-Harris	62	65
Mount Royal Hotel, com.	4½	5½
Mount Royal Hotel, pref.	39	42
North Mexico Power, com.	40	..
R. Simpson, pref.	97	98½
Willard's, pref.	75	85
Capital Life	22	25
Continental Life	31½	33
Empire Life	22	26
Monarch Life	16	18
National Life	46	50
Re-Insurance	12	15
Security Life	33	37
Sovereign Life	20	24

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1925	1924	Change
Aug. 31	$4,903,000	$4,697,000	+ $206,000

CANADIAN NATIONAL RAILWAYS

Week end.	1925	1924	Change
Aug. 31	$6,759,722	$6,109,614	+ $650,108
Jan. 1 to Aug. 31	146,661,997	153,173,166	— 6,511,169

We invite your orders for New Issue

Dominion of Canada

Fifteen-Year 4½% Bonds

Due 1st September, 1940

Approximately $170,000,000 of maturing Dominion obligations will be paid off this year. The Minister of Finance, the Hon. J. A. Robb, has provided for this by a cash redemption of approximately $25,000,000; by an issue of $70,000,000 of short-term notes; and this issue of $75,000,000 now available for public subscription.

Dominion Government Bonds rank as the highest of all Canadian Securities, and are considered the finest type of investment. Every investor should have a substantial proportion of these bonds on his list.

War Loan 5% Bonds maturing December 1st, 1925, will be accepted at par and accrued interest in settlement for the new bonds at the purchase price.

Denominations: $100, $500, $1000, etc.

PRICE: 97.25 and Accrued Interest

Orders May Be Telegraphed or Telephoned at Our Expense.

This suggestion is made because of the over-subscription of all the past Dominion issues, and because many subscribers were disappointed in not obtaining their requirements at the original offering price.

A. E. AMES & CO.
LIMITED

Investment Securities — Established 1889

53 KING ST. WEST - - - - - TORONTO
TRANSPORTATION BLDG. - - - MONTREAL

VICTORIA, B.C. VANCOUVER NEW YORK LONDON, ENG.

Telephones: Toronto—Adelaide 8201 Montreal—Main 3050

Dominion of Canada

Fifteen-Year 4½% Bonds

Dated September 1, 1925 — Due September 1, 1940

Interest payable half-yearly at any branch in Canada of any chartered Bank.

Denominations: $100, $500, $1,000.

There is no better investment than Dominion of Canada Bonds

We suggest that you send your order to us for these bonds. It may be telephoned or telegraphed at our expense and will receive prompt and careful attention.

- - - -

The success that has attended previous Dominion of Canada loans suggests the wisdom of acting quickly.

Price: 97.25 and Interest, Yielding over 4.75%

Wood, Gundy & Company

Toronto · Winnipeg · London, Ont. — 36 King Street West, Toronto, Telephone: Elgin 4321 — Montreal · New York · London, Eng.

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE ✣ QUEBEC

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

MAPLE LEAF
INDUSTRIAL
ALCOHOL
HIGHEST QUALITY — BEST SERVICE
Ethyl Alcohol — Cologne Spirits
Denatured Alcohol (All Formulaé)
TRADE MARK
Canadian Industrial Alcohol Co., Limited
MONTREAL
Distributing Warehouses:
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THREE RIVERS, P. Q.
Manufacturers of Fine White Cotton, also Spinner's Fine Counts of Yarns

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Hessians, Buckrams
Paddings and Twine
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Flags
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Clothing and Cotton Fabrics
FACTORIES AT
MONTREAL, TORONTO, OTTAWA
WINNIPEG, WELLAND
HEAD OFFICE:
MONTREAL

LAKE OF THE WOODS MILLING CO. LTD.
Makers of FIVE ROSES FLOUR
Mills at Keewatin, Portage la Prairie, Medicine Hat
DAILY CAPACITY 13,700 BARRELS
President and Managing Director: FRANK S. MEIGHEN, C.M.G.
Vice-President & Gen'l. Manager, WM. W. HUTCHISON.
Directors:
W. R. ALLAN, R. M. BALLANTYNE, TANCREDE BIENVENU, HON. SIR LOMER GOUIN, K.C.M.G., GEO. V. HASTINGS, WALTER MOLSON, R. W. REFORD, ABNER KINGMAN, J. K. L. ROSS.
Secretary, M. H. HUTCHISON; Treasurer, T. F. McNALLY; Asst. Treasurer, A. C. McMILLAN.

Pulp and Paper

THE FORECAST OF ROGER BABSON ON PULP AND PAPER

Tells Americans Frankly of Trend of Industry Toward Canada

From Our Own Correspondent.

MONTREAL.—Roger W. Babson, the United States prophet on the business future, recently uttered words of wisdom on the paper industry. Although Canadians, as a whole, take Babson's prophecies about this country with a grain of salt, due to the several lapses which he has made in forecasting conditions here, yet what he has to say about the pulp and paper industry is interesting despite its laboring of the obvious.

Apparently Mr. Babson is unacquainted with, or at least takes no notice of the fact that the economic trend of the newsprint industry as a whole is away from the States and towards Canada; naturally newsprint mills in that country must suffer to a large degree the keen competition which will result through the building of more and more mills in Canada, where costs are lower. Babson considers that taking everything into consideration, the pulp and paper stocks as an investment look fairly good at the present time, despite the fact that they are selling at higher prices. By pulp and paper stocks he includes the Canadian securities as well as the American. Each plant, however, he believes should be studied independently as to its available pulp lands, its developed and undeveloped water powers and its future outlook as reforestation becomes necessary.

Prices Will Mount

In the meantime newspapers and other purchasers of paper, he said, must be prepared to pay gradually higher prices in the years to come in view of the demand for pulp which is to come from the textile industry for the manufacture of Rayon, or artificial silk.

Certain events which have happened have materially improved the investment standing of these companies; among these may be mentioned the following:

Advertising in its early days was looked upon as either a stunt or a luxury. To-day, however, the situation has entirely changed and advertising has become the means of reducing selling costs in many lines. Newspaper advertising is not only a necessity, but it is one of the very best forms of investment a business firm can make. Furthermore, the goodwill obtained by national advertising is developing monopolies which are far more profitable than the so-called trusts. Moreover, thus far, no politician has found a method of attacking these monopolies which are being unconsciously formed by national advertising. During previous business depressions advertising fell off considerably, but not so during the last depression.

Larger Space in Dull Times

Babson feels that now newspapers are running more and more advertising, notwithstanding the fact that business is quiet in many lines and in many sections. And that advertising experts are suggesting that in the future it will be more necessary to take more space in dull times than in times of business expansion.

Instead of attributing the increasing cost of manufacturing paper to decreasing wood supplies, Mr. Babson states that the increase in pulpwood cost has been due more to the increase in the wages and living conditions of the men sent in the woods to bring out the pulpwood. A chart of the price of bacon and beans corresponds almost exactly with the chart of pulpwood prices, says Babson.

Rayon Takes More Pulp

He makes a rather startling prediction when he says that in the future the artificial silk, or Rayon industry, which has had such a phenomenal rise since the war, will use more pulp than is used now by the grinders of mechanical pulp for newsprint industry.

He believes that the future is bright for the owner of pulpwood lands anywhere on this continent, and declares, moreover, that while spruce is eminently more desirable as a pulpwood than southern pine, he believes that the chances of reforestation are far greater in the southern states than in Canada or in the northern states, and declares that when the paper companies in general seriously take up the problem of reforestation, they will find inspiring examples in some of the southern lumber companies. It seems evident that Mr. Babson has not heard of the many ambitious reforestation programmes which are being carried out both in Canada and by some of the mills operating in New England.

The Water Power Companies

He is especially optimistic regarding the future of the well-known water-power paper companies, that is, those concerns which have developed or possess potential water power reserves which can be exploited for general commercial use. He declares that such companies as the Spanish River Pulp and Paper Company, the Laurentide Company, the Abitibi Power and Paper Company, and the International Paper Company, are outstanding examples of concerns which would be able to procure from their power resources incomes more than sufficient to offset the loss of timberland resources. Incidentally he said that the International Paper Company is now in control of the New England Power Syndicate.

Backus Will Produce Additional Newsprint

MONTREAL.—Yet another newsprint mill will be selling its product before the close of 1926, for the citizens of Fort Frances, Ontario, by an almost unanimous vote, have endorsed the agreement with the Backus interests for an additional 150-ton paper mill there.

Under the terms of the agreement, Mr. Backus will commence construction of this mill before October 1, and will have it completed and in full operation by December, 1926. The town has consented to a flat rate of $350,000 on the entire mill for a period of ten years. The additional mill will mean the employment of approximately four hundred men the year round. Concurrently with the erection of the paper mill, the company proposes to develop power on the Seine River; this will mean the bringing into Fort Frances of approximately 25,000 horsepower. The expenditure on mill construction, Seine River power development, and electric transmission line, will be approximately $2,500,000.

PULP AND PAPER MARKETS SHOWING BETTER STRENGTH

As Fall Comes On, Business Shows Signs of Renewal

Investors may be interested in a study of present market conditions in pulp and paper. The most recent market reports of the Pulp and Paper Magazine of Canada say:

The demand for newsprint is reported to be holding up well, as it has done all through the warmer season. The statistical position of the industry, as a whole, continues to give satisfactory indication of steady absorption of the increased production of Canadian mills. The monthly production of newsprint in Canada during the month of July has, for the third time within a year, exceeded that of the United States. The figures for July representing Canada's output are 121,664 tons, and for the United States, 121,113 tons. For the first seven months of the year, Canadian production increased 9 per cent., while the United States mills in the same period only show an increase of 1.5 per cent.

Other Grades of Paper

Both the fine and book paper markets continue to enjoy a fair demand; and while the past two months have been somewhat quiet, owing to the summer season, business is expected to liven up within the next few weeks. There is more activity now in the tissue market, and the renewed buying movement after a period of dullness has had the effect of keeping prices steady in all grades. There is a fair amount of business being done in wall papers, and during the next month considerable improvement may be looked for.

Board is again reported in good demand, with prices showing a firming tendency. Certain manufacturers report being from three to four weeks behind on their orders, which is the opposite to last year, when at this season the mills were said to be scratching for business. One reason why prices should grow stronger, apart from the steadily increasing demand, is that test board prices in the U. S. A. have already advanced, and the reaction on the Canadian market should be felt in due course.

Wrapping prices are firm, and the slowness in this market should give way to more activity from now on. Dealers expect a distinct improvement in all grades during the next few weeks, and are anticipating a heavy fall business.

The Pulp Markets

Reports this week indicate that the improved demand for groundwood pulp is being well maintained, and manufacturers are of the opinion that stronger prices will prevail as a consequence. Canadian mills continue to report being in a well-sold-up condition. Quotations were given from $27 to $33 a ton. The chemical pulp market remains in much the same condition as it has been for the past two weeks except that the higher grades are increasingly stronger, for example, bleached sulphite, also kraft, while the various grades of unbleached sulphite are being absorbed by the paper mills in regular fashion, without any diminution from the first market prices. The general feeling at present among pulp and paper people seems to be one of strong optimism that the fall and winter demand and prices will run along maximum lines.

Quotations for bleached sulphite were from $78 to $90 a ton; easy bleaching sulphide No. 1, $60 to $65 a ton; unbleached sulphide No. 1, $56 to $60 a ton.

The New York report on newsprint states:

There is a firm tone to the newsprint market. Through circulation campaigns or whatnot, publishers have kept their circulation probably at a higher level this summer than ever before; at least this is said to be the case in the metropolitan district. Consequently, newsprint consumption has been on a rather large scale, particularly so since most newspapers have put out bigger issues this summer than usually at this time of the year. Stocks at mills and in publishers' warehouses are reported comparatively small; all signs point to a firm market condition for the remainder of this year.

POWELL CO. TO EXPAND

Production of paper by the Powell River Co., will be increased 80 per cent. by the completion of a $5,000,000 development program now under way, M. J. Scanlan, of Minneapolis, a director of the company, has announced. At present the plant is turning out about 75,000 tons a year.

Belgo-Canadian Paper Company
Limited
Manufacturers of
Groundwood, Sulphite Pulp and
Newsprint Paper
MILLS AT
SHAWINIGAN FALLS, QUE.

DOMINION BRIDGE CO.
LIMITED
Montreal, P.Q.
ENGINEERS, MANUFACTURERS AND ERECTORS OF STEEL STRUCTURES
HEAD OFFICE AND WORKS: Lachine Locks, P.Q. P.O. Address, Montreal, P.Q.
BRANCH OFFICE AND WORKS: Toronto, Ottawa, and Winnipeg.
Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Dominion Textile Company
LIMITED
Manufacturers of
COTTON FABRIC
MONTREAL TORONTO WINNIPEG

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

PORT ALFRED PULP & PAPER CORPORATION
HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

MOUNT ROYAL BOND
MADE IN CANADA
MOUNT ROYAL BOND is not our highest, nor is it our lowest, grade of paper. It is that "In-Between" sheet, clean and crackley, with a good surface. The colors are distinctive and even throughout.
Large tonnage and country-wide distribution permit of the sale of this sheet at a nominal price. All good printers and lithographers can supply it.
Made in Canada by
The Rolland Paper Co., Limited
Makers of the famous SUPERFINE LINEN RECORD since 1882
MONTREAL
Mills at Ste. Jerome and Mont Rolland, Que.

Public Utilities

CALLING BONDS OF SOUTHERN CANADA POWER

To be Replaced by 5% Issue and Preferred Stock Increased

From Our Own Correspondent.

MONTREAL.—The Southern Canada Power Company will call its issue of 6 per cent. bonds and replace these with an issue of 5 per cent. bonds. Also, it will double the amount of the authorized preferred stock. These changes in the capitalization will be considered and ratified at a meeting of the shareholders to be held September 25, 1925.

The reason for calling the old bonds and the issuance of the new, lies in the fact that by this means the company will be enabled to reduce its annual fixed charges, a thing made possible by the lower money rates prevailing at present.

The increase in the authorized preferred stock is being made for the purpose of providing for future further financing. The present capitalization, and the new, compare as follows:

	Authorized	Issued
Old Capital		
6% Bonds	$5,000,000	$4,537,500
6% pfd. stock	5,000,000	2,984,800
	shares	shares
Com. Stock (no par val.)	100,000	50,000
New Capital		
6% bonds	$50,000,000	x$4,550,000
6% Pfd. Stock.......	10,000,000	2,984,800
	shares	shares
Common Stock (no par value)	100,000	50,000

xApprox.

Making Ready for Future

As far as the shareholder is concerned, the significant thing about the increase in the authorized bonds and the authorized preferred shares, is simply that the management of the company now sees a broader field for expansion, and for this reason are changing the financial structure to permit expansion as time goes on. All of which may be regarded as possibly indicating better earnings for the present shareholders in the future.

In an explanatory letter accompanying the notice to the shareholders, James D. Woodyatt, vice-president of the company, says in part:

"The main purpose of this meeting is to authorize the company to call its present issue of 6 per cent. bonds and replace them with 5 per cent. bonds. When the 6 per cent. bonds were issued—in 1913—they were made callable at $106. Present conditions of the money market make it profitable for the company to pay the $6 bonus above par on each $100 bond and reduce the annual interest by 1 per cent. per annum.

"Though it is contemplated to authorize a bond issue of $50,000,000, it is intended that only a small portion of these new bonds will be issued at present, to retire the 1913 bonds.

"Of course, it must be well understood that the calling of these bonds does not in any way affect our stock—preferred or common—which cannot be called by the company.

"The meeting will also be asked to authorize the issue of 50,000 additional shares of our preferred stock. This stock is not to be offered for sale at once, but is to be kept in reserve and sold when the growth of the company requires it.

"We are merely taking advantage of the fact that we will have our shareholders gathered at a general meeting to pass upon these two matters at one time and thus obviate the necessity of holding two separate meetings."

WINNIPEG POWER AGREEMENT NEAR

Hydro Will Get $750,000 Additional Revenue From Zoning Scheme

Winnipeg Electric and Winnipeg Hydro are now agreed on most of contentious points of the agreement whereby the hydro enterprise will handle all the retail power business in the city, and W. E. Railway, the business outside. But one or two points remain to be disposed of. These are engineering points and it may then take a couple of months to carry out an appraisal of the lines and services of the company in the city. It is estimated that the increased revenue to Hydro will be $750,000 and Hydro will pay Winnipeg Electric $500,000 for additional power. Hydro would have to provide for maintenance, collection, service costs and other overhead, which for the first year would absorb any profits.

The question of whether or not the agreement will be submitted to the ratepayers is yet to be decided.

Public Utility Earnings

Northern Mexico Power

	1924	1925	Incr.	Per C.
July—				
Gross	$59,067	$86,042	$26,975	45.66
Net	41,689	66,147	24,458	58.68
Seven Months—				
Gross	$383,792	$564,806	$181,013	47.16
Net	285,156	430,211	145,055	50.86

£

President:
W. H. WARDROPE, K.C.
Hamilton, Ont.

Vice-Presidents:
A. W. BRIGGS, K.C.
Toronto, Ont.
N. SOMMERVILLE, K.C.
Toronto, Ont.

Managing Director:
CHARLES BAUCKHAM

THE STERLING TRUSTS CORPORATION
10-12 East King St., Toronto.
Branch at Regina, Sask.

Increase is Shown in Detroit United Earnings

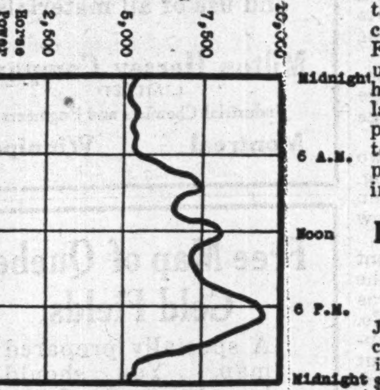
Detroit United Railway creditors are being asked by the receivers to file proof of claims. They say that operations are showing an improvement, net revenues being up and operation costs down. Fare increases have helped. Net income for July, 1925, shows considerable increase over net for July, 1924. There was, however, considerable decrease in gross revenue from operations. Whether this betterment in net results of operations will continue, the passage of time will demonstrate. Failure to obtain funds by sale of receivers' certificates made it necessary Aug. 1 in order to conserve funds for operating expenses to default in interest payment on other issues of bonds. The amounts of interest due Aug. 1 are as follows: Detroit United Railways two-year 6 per cent. notes $9,900; Detroit Ypsilanti, Ann Arbor & Jackson first mortgage 5's $38,687; Detroit, Jackson & Chicago Railway first mortgage 5's, $22,025, and Detroit, Almont & Northern Railway first mortgage 6's, $12,000. This is in addition, of course, to the interest which had become due on other issues of bonds July 1, 1925.

The Power Companies Have Varying Rates. Why?

Some Consumers Pay as Many as Three Different Rates in Purchasing Power From the One Producer

MONTREAL. — Every so often some letter-writer makes an outburst in the press, declaiming the power companies for selling power at varying rates to consumers. There are individuals, as well as corporations, buying power for various uses and paying three different prices for it. The man on the street immediately jumps to conclusions, which, on looking deeper, are absolutely without foundation.

The simplest way of explaining the reason for varying power rates is by means of a graph which will show the load carried by a company at any period of the day. The load graph naturally varies with each company, but the following might be said to be an average chart:



Power is Wasted

Supposing this to be the load graph of one specific company, it will be seen that between 11 o'clock at night and 6 o'clock in the morning this company sells but little more than 5,000 horsepower, whereas its total capacity is 10,000 horsepower.

Presuming that the company develops 10,000 horsepower—7,500 from a hydro-electric development, and the remaining 2,500 by means of steam—it will be seen that the steam plant must be operated between the hours of 11 in the morning and 9 o'clock at night to take care of the peak load.

Located in the town served by this particular power company is a pulp manufacturer. His mill operates 24 hours a day and he purchases from the company a steady load of 100 horsepower, and pays for this, $35 a horsepower.

Domestic Lighting Higher

Naturally, he pays a much higher rate for his domestic lighting; this, as a rule, is being utilized to the greatest extent between the hours of, say 5 and 9 p.m., and at the very time when the load is heaviest, and it has been necessary to add the auxiliary steam power. It is reasonable, therefore, that the man who buys a varying load, which is only used at peak times like domestic lighting, should pay more than the man who buys a continuous 100 horsepower.

Now it will be seen from the graph that only about half the power which can be developed is being used between the hours of 11 p.m. and 6 a.m. In other words, the power is there but the company cannot sell it. Naturally, then, the power companies go to their customers and say: "Between 11 at night and 6 in the morning we will sell you power at a low rate;" consequently the pulp manufacturer in this town buys 100 horsepower at, say, only $15 per horsepower every night between 11 and 6 in the morning. The power comes to him cheaply; he can use it either to make steam or possibly for heating purposes. The company benefits also. in that it obtains a revenue which it otherwise would not have.

This explains the reason for the very low rates for off-peak power, the higher rates for a steady power supply, and the highest rate of all for the varying supply which is used mostly at peak times. Power companies, like other corporations, endeavor, as far as possible, to arrange their sales in such a way as will ensure a continuous, rather than a fluctuating demand for their product. The difference between the manufacturer and the power producer lies in the fact that the latter can never shut down his hydro-electric development and reduce the overhead materially, for in the case of the power company, about 90 per cent. of the producer's overhead costs consist in fixed charges which must be met each quarter, whereas by curtailing the output, the manufacturer can make large savings in overhead. For instance, there are but few manufacturers who have operated 24 hours a day during the whole of the last two years, yet this is what the power company is forced to do, and to do it, it must vary the cost of power according to the hour of day in which the product is used.

Durant Co. Showing is Decidedly Better

Durant of Canada in 7 months ending July 31, added $337,023 to surplus as compared with $63,000 in the same period a year ago. Net surplus stands at $306,799. The company's liquid position is much better, current assets standing at $2,179,874, liabilities $379,330, leaving working capital of $1,800,544, an increase of $621,511.

Important plant improvements are proposed for this fall. Lacqueroid equipment will supersede the present enamelling process. Body plant equipment will be enlarged to take care of the assembly of closed cars, as well as the open cars now constructed. Provision will also be made for the assembling of motor car frames in addition to the chassis assembled heretofore. These alterations will serve to increase the operations of the company and should result in a growth in profits. The number of cars produced from January 1st to July 31st this year was 6,522, a considerable gain over the corresponding period last year.

RAYON—THE NEW SILK

Green, Ellis and Anderson, of New York, have recently published an extremely interesting booklet on the rayon or artificial silk industry, showing the direction and rapidity of recent development, and including complete statistical data on the output and consumption of this product. For purposes of comparison a section is also included on the natural silk industry. The booklet gives a complete survey of the various branches of rayon production, and summarizes its survey under the following heads:

1. It can be obtained in all civilized countries and the amount to be had is limited only by the capacity of man to make it.
2. In lustre and decorative effects it surpasses all yarns.
3. Its permanency is well established and its life is without measure.
4. It can be treated and used in countless ways and under every known condition.
5. When properly dyed its color is fast and its depth of tone unparalleled.
6. It does not deteriorate or rot from perspiration.
7. When bleached it never turns yellow but always remains white.
8. Is produced at a cost which places it well within the reach of the entire buying public instead of a limited few.

United States received $18,000,000 under first year's operation of the Dawes plan. Of $254,000,000 due for costs of American army occupation in Rhine region, $14,705,154 has been paid.

C'ANADA PERMANENT MORTGAGE CORPORATION
Quarterly Dividend

CANADA PERMANENT 70 YEARS 1855—1925

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of TWELVE PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable THURSDAY, THE FIRST DAY OF OCTOBER next, to Shareholders of record at the close of business on the Fifteenth day of September.

By order of the Board,
WALTER F. WATKINS, Secretary.
Toronto, August 19th, 1925.

Established 1855

5% Interest Return

INVEST YOUR SAVINGS
in a 5% DEBENTURE of
The Great West Permanent Loan Company
SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto, Regina, Calgary, Edmonton, Vancouver, Victoria, Edinburgh, Scotland.

LOCOMOTIVE PLANT OPERATED BUT 5 MONTHS IN YEAR

Profits Showed Material Decline — Position Sound and Outlook Better

Canadian Locomotive's revenue for the year ending June 30 shows a marked decline. Net profits were $166,549, as compared with $538,441 in 1924. Other income added, consisting of $65,020 investment income; $3,309 profit on sale of investments and $33,200, an amount deducted from profit in connection with writing down goodwill, brought the total to $268,078, as compared with $599,672 a year ago. The figures in detail:

	1925	1924
Net profits	$ 166,549	$ 538,441
Interest	65,020	61,231
Profit from sale of investments	3,309	......
Allowance, goodwill	33,200	......
Total income	268,078	599,672
Bond interest	90,000	90,000
Depreciation	100,000	......
Allowance, goodwill	......	36,901
Balance	78,078	472,771
Balance forward ..	1,080,148	807,377
Total	$1,158,227	$1,280,148
Sinking fund	15,000	15,000
Pref. dividend	105,000	105,000
Common dividend	40,000	80,000
P. and L. balance .	998,227	1,080,148

The large earnings of the company over a period of years enabled it to build up a secure liquid position, which stood practically unimpaired as of June 30 last. Gilt-edged investments, including Victory and other government bonds and Canadian National Railway equipment bonds, amount to $1,291,368, which adding in current assets of $426,272 made a total of $1,717,640. As current liabilities were shown at $382,739, the company's net working capital stood at $1,334,902. This compared with $1,388,054 a year ago. Sinking fund account stood at $201,458 and fixed assets at $4,763,324 making total assets $6,682,424, compared with $7,933,461 the year before.

Chairman Robert Hobson, in his report to shareholders, says:

"You will note that operating profits for the year amounted to $166,549. In view of the general curtailment of all orders by Canadian railroads—pursuant to their policy of retrenchment, due to general conditions throughout Canada—your plant has been operated to capacity for only five months during the current year, so that we feel the results to be very creditable.

"The future should be more promising, as with the improvement now occurring in Canadian conditions, the roads should shortly be warranted in additional equipment purchases."

IN CANADA
over 800 Branches including
Vancouver
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ABROAD
over 100 Branches including
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and in
Colombia
Peru
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The Royal Bank of Canada

G580

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W. IRWIN HASKETT, 18 Elgin St., Ottawa, Canada

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Members of the Montreal Stock Exchange
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HALIFAX ST. JOHN, N.B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to all Branches and New York

View of one of the many fine offices in Canada Cement Company Building, Montreal, with Dominion Battleship Linoleum Floor.

Profit by the Experience of Others when Choosing your Office Floor

Choose the floor that is successfully serving the needs of others. Choose Dominion Battleship Linoleum, the floor that stands the tests of time and heavy traffic, that is quiet and easy underfoot, that needs no costly upkeep.

This modern floor always satisfies, no matter what service you demand of it. Banks, offices, departmental stores, schools, hospitals, and public buildings of every type in every Province are floored with Dominion Battleship Linoleum. In some of these installations, durability is the prime requisite; in others, quiet; in others, sanitation; in others, appearance. Dominion Battleship Linoleum meets all these demands—fully.

Dominion Battleship Linoleum

[illegible]en properly applied with waterproof cement it becomes a permanent floor with up[illegible] limited to an occasional waxing. Cleaning is simply a matter of brushing the [illegible], smooth, waterproof surface.

Dominion Battleship Linoleum, AAA quality (used extensively for tiles) is made in eight standard shades—brown, green, terra cotta, grey, buff, blue, black and white. AA and A qualities, in four standard shades only. Special colors for large contracts. Write for free samples and literature.

Installed by all large Departmental and House Furnishing Stores.

Dominion Oilcloth & Linoleum Co. Limited, Montreal

DOMINION OILCLOTH & LINOLEUM CO. LIMITED · MONTREAL

HOW MUCH OF YOUR OVERHEAD is Underfoot?

News of the Mines for the Investor

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

Ontario Mineral Production Now on $83,000,000 Basis

Gold Recovery Near Thirty Million Basis While Nickel Operations Show Heavy Increase in Output

Ontario produced minerals on a basis of $83,000,000 yearly for the first six months, 1925, as compared with $74,412,289 (actual) in 1924. Comparing the figures with the same period of 1924 it will be seen that gold and nickel copper production were responsible for the bulk of the increase. Gold production for the first half of this year was on a basis of $29,000,000 yearly, as compared with $25,669,000 in 1924 and $20,136,000 in 1923. The increase over the first six months of 1923 is nearly $6,000,000. Porcupine production is up 16 per cent. to $11,950,000, while Kirkland Lake about doubled its income with $2,628,608. Silver production is half a million higher, due to increased Cobalt, Lorrain and Gowganda activity. Copper and nickel production is much higher. Values show this. But quantity figures perhaps emphasize it more strongly. These are:

Copper	1924	1925
Sulphite lbs.	2,189	12,834
Metallic "	9,552,274	10,319,142
Matte tons	3,996	4,390
Nickel		
Oxide lbs.	5,770,622	7,055,506
Metalic "	15,775,618	14,824,311
Matte tons	6,052	7,225

The figures on mineral production with comparative tables for 1923-24 follow:

	Six Months' Value 1924	1925
Gold	$11,810,060	$14,506,218
Silver	3,262,100	3,792,219
Copper (met.)	1,225,750	1,374,729
Copper (mat)	719,318	790,225
Nickel (mat)	1,815,570	2,167,649
Nickel met. and cobalt and oxide	4,509,346	6,286,202
Others	1,357,691	587,615
Total	$24,699,835	$29,515,391
Non met.	4,341,941	4,044,964
Structural	8,956,000	8,000,000
Total	$37,997,776	$41,560,355

What are the gold producers doing? This seems to be the leading question. The figures are given in two ways: tons handled and dollar value with average content per ton. A volume could be written analyzing these. All Porcupine proper mines show a heavier tonnage. Hollinger, on a basis of 180 working days, shows a tonnage increase of about 900 better. McIntyre is up about 50 tons daily and Dome has had a very material increase and so has Vipond. As was to be expected Night Hawk fell off. Lake Shore's tonnage is four times as great; Teck Hughes is up about 16 tons and W. Hargreaves is handling an additional 170 tons. The dollar figures are interesting, but the fact stands out that with the heavier tonnage mill heads are down in all cases except Wright Hargreaves. The change in the latter has been remarkable, due to the finding of much richer ore at 1,000 ft. As to the others the figures show that with the greater tonnage they have been enabled to treat a lower grade of ore along with the higher grade, pulling down the average per ton but increasing the wealth and life of the mine.

The figures:

Tonnage, Six Months	1924	1925
Dome	236,500	263,600
Hollinger	812,419	955,686
McIntyre	189,065	198,865
Vipond	22,158	29,847
C. W. Dome	......	......
Night Hawk	31,817	19,856
Lake Shore	13,358	54,028
Teck Hughes	21,798	24,857
Wright-Hargreaves	41,120	72,450
Tough-Oakes	......	16,214
Argonaut	......	11,611
Barry-Hollinger	......	1,223
Total	1,368,235	1,665,416

Value of Output

Mine	6 Mos., 1924 Total Value $	Value Per Ton $	6 Mos., 1925 Total Value $	Value Per Ton $
Dome	2,126,678	8.99	2,137,002	8.12
Hollinger	6,208,317	7.64	7,542,897	7.89
McIntyre	1,676,929	8.86	1,748,101	8.79
Vipond	305,326	13.77	286,009	9.58
C. W. Dome	....	...	137,268	7.85
Kirkland G.	46,512	5.75	......	...
L. Shore	319,455	23.91	1,036,501	19.18
T. Hughes	551,224	25.33	468,632	18.85
W. Harg.	446,350	10.85	921,723	12.72
T. O. B.	....	...	116,488	7.18
Argonaut	....	...	80,707	6.95
N. Hawk	179,491	5.64	98,748	4.97
B. Hollinger	....	...	4,557	3.73

Silver figures show all camps doing better. They are:

Camp	Ozs. 1924	Ozs. 1925
Cobalt area	3,394,309	3,295,010
South Lorrain	1,227,855	1,547,934
Gowganda	252,321	605,753
In gold bullion	97,581	120,050
Recovered from nickel-copper refining	36,190	33,136
Total	5,008,256	5,601,883

U.S. INTERESTS IN BIG QUEBEC DEAL

Harvie Smith Co. Sell Interest in Holdings For Huge Sum

One of the most important mining transactions of recent years has been concluded in New York by Harvie, Smith & Co., Montreal, covering an interest in the Harvie-Burnett properties for $1,500,000. While no details are yet available, it is understood that this option has been acquired on behalf of an old established mining company which conducts mining operations in all parts of the world.

Dr. Robert Harvie, after sixteen years with the Quebec Bureau of Mines and the Dominion Geological Survey, turned his attention to the Northern Quebec field which he was the first to visit in 1907. His achievements during the past two years add lustre to a high reputation gained in his official years which were marked by notable contributions to the opening of the Ontario and Quebec gold mining areas, and his work on behalf of the Allied Purchasing Commission during the war.

The properties covered by this option are in the townships of Clericy and Joannes in the Rouyn gold area. A point of particular interest is a recent discovery on the Richmond-Burnett group which holds promise of being one of the most important developments of the year. Engineers are now examining the properties and it is understood that a more definite announcement of plans of development will be made at an early date.

CANADIAN LORRAIN IS NEAR PRODUCTION

May Have Race With Tonapah Gowganda as N. Ontario's Next Silver Producer

The outlook for Canadian Lorrain is that a profitable mine is developing. For some time the management has been looking for high grade ore and in the meantime developing a substantial tonnage of fair milling ore. Recently Dr. Bell, managing director, announced that a vein showing high grade around 5,000 ounces to the ton, had been opened up. This estimate is regarded as conservative. Since that statement was issued, it is understood that further success has been met with and that the high grade developed is now much greater. Rumors around Cobalt are to the effect that two additional shoots of high grade have been encountered. However, without these, but considering the one shoot and the large tonnage of low grade ore, the proposition is near the point where Dr. Bell will be considering production. It is understood that about 75 bags of high grade are being got ready for the smelter daily.

Dr. Bell's August report says:

During August developments at the Canadian Lorrain Silver Mines were extremely satisfactory. In No. 10 vein (which branches north-easterly from No. 5, at the 350 foot level), a new ore shoot "D" was proven for twenty feet, averaging 47 ounces over 14 inches. Vein No. 17, which branches northeasterly from No. 10, at the same horizon, was developed for 48 feet, and another new ore shoot "E," beginning in No. 10 vein and continuing into No. 17, was proven for 61 feet. This shoot averaged 470 ounces over eight inches for the first thirty feet and 5,250 ounces over 4½ inches for the remaining 23 feet. At the end of the month the face was in high-grade ore, about three inches wide, assaying approximately 5,000 ounces per ton. In addition to the high grade ore, the wall rock contains ruby and flake silver for the full width of the drift. Vein number eighteen, branching north from No. 17, was not opened up at all during August. This vein shows considerable silver at the point of branching from No. 17 vein.

KEELEY CUT 3 NEW SHOOTS

Keeley Silver Mines produced, during August, 125,242 ounces of silver and 15,168 pounds of cobalt. Three shoots of low grade ore were developed, the most important being on No. 16 vein at the 10th level, which was proven for a length of 30 feet, averaging 120 ounces over eight inches.

Keora Will Soon Start Mill on Regular Run

Keora's mill should start running regularly in a few days. The recent break in the market was due to Cobalt selling following the burning down of the power house which supplied air for the machines. There were some wild stories around Cobalt for a time. A new building is nearly up and a compressor, double the size of the old one has been ordered. The mill was run for several days and results were at least up to expectations. The proposition should soon settle down to operations on a profitable basis. There is considerable ore developed, but more work will be necessary before any opinion as to the probable size of the mine can be formed.

OUTLOOK OF T.O.B. IS MUCH CHANGED

Indications Are That it Should Soon Enter Large Mine Stage

Indications are that the annual meeting of Tough Oakes Burnside will be held somewhere near the end of the month. It should be an interesting meeting, perhaps the most promising of any that the company has held in some years. Special attention will focus around the report of Manager Stuart. It is understood that the complexion of the mine has changed considerably during the past six weeks or two months with indications that the proposition is nearing the stage where it will be a large and profitable producer. It is making a profit now. Rich ore has been found and the complex geology which has been a baffler for years, has seemingly been solved by the manager. The great bulk of the ore now going to the mill is coming from development.

Confidence in T. O. B. was shaken about 7 or 8 months ago when for a time it looked as if the proposition was about to prove a failure. It is regarded as being in the good speculative stages to-day.

Tonapah Considering Mill For Gowganda

The Tonopah is planning the erection of a mill on its properties in the Gowganda silver area of northern Ontario, and two shipments of ore of six tons each have been sent to be tested at the Timiskaming laboratories at Cobalt, to determine the process best suited for the treatment of the ore. Unofficial estimates of the ore already in sight on the Walsh property vary from 200,000 to 500,000 oz. of silver and the recent discovery on the Morrison claim promises to add substantially to this reserve. The shaft is being continued from the 350 level for another 150 ft.

Timmins Enlarges His Holdings in Quebec

Noah Timmins, president of Hollinger mines, is said to have increased his holdings by the acquisition of the much-talked-of Waite-Montgomery property in Quebec. This gives him a large interest in the Quebec area. He is a substantial holder in Noranda, and Amulet. There are reports that an adjoining 40 acres have been taken up along with the Waite. The group is directly north of Amulet and adjoins a group under option to Nipissing.

MINING STOCK QUOTATIONS

WEEK ENDING SEPTEMBER 8

	Par Value	Div. Rate	Yield	High for wk.	Low for wk.	Close Sept. 8	Close Sept. 1	Sales for wk.	Range 1925 High	Range 1925 Low
Apex	1	..	..	..	..	..	..	....	4	2
Algonquin	1	..	..	..	..	..	..	....	3	1
Argonaut	1	..	..	27½	23	26	27	42850	48	22½
Atlas	1	..	..	2½	2½	2½	3	1000	5	3¼
Baldwin	1	..	..	2½	2¼	2½	2⅛	22000	7	3
Barry Hollinger	1	..	..	29	24	28¼	30	21350	50	24
Beaver	1	..	..	31½	30	30	31½	9200	37	25½
Bidgood	1	..	..	6¼	5½	6	5¾	10500	16¼	4¼
Boston Creek	1	..	..	..	..	..	..	....	7	4½
Buckingham	1	..	..	2⅞	2⅞	2⅞	2⅞	2000	5⅞	2¼
Canadian Lorrain	1	..	..	59	54	55	57	18500	59	23
Capitol	1	..	..	31	31	31	31	3000	37½	24
Castle Tre.	1	..	..	1.03	1.01	1.01	1.03	29229	1.10	71
Clifton	1	..	..	4¼	3½	3½	4	3100	25¼	3½
Coniagas	5	..	..	..	..	..	..	....	2.30	1.45
Coniar'm	1	..	..	..	..	..	..	....	2.45	1.00
Col. Kirkland	1	..	..	5¾	3½	4⅞	3⅞	66250	10½	2
Cons. Smelters	25	6	1.2	121	114	118	120¾	11212	124	48
Cons. W. Dome	1	..	..	14	13¼	13½	13¾	56832	22	11
Crown Reserve	1	..	..	21½	20½	20½	21	27225	54½	15¾
Davidson C.	1	..	..	..	..	..	..	....	5	2
Dome Mines	1	2	13.1	15.35	15.00	15.20	15.40	4568	16.50	12.90
Everett	1	..	..	7½	5¾	6	7½	30000	10	4½
Goldale	1	..	..	17½	17¼	17¼	17½	14000	22½	14¾
Gold Reef	1	..	..	1¼	1¼	1⅛	1¼	1000	1½	1
Hattie	1	..	..	1	1	1	1¼	5000	2¼	½
Hattie, pref	1	..	..	5¾	4⅛	4⅛	5¼	64900	67	4⅛
Hillcrest, com										
Hollinger	5	20.80	7.0	15.00	14.80	14.85	14.90	2807	15.65	13.35
Hunton	1	..	..	4½	4¼	4¼	5	15000	8½	4¼
Indian	1	..	..	5	4½	4½	5	7200	17	4
Inspiration	1	..	..	..	..	..	..	....	10	7
Int. Nickel, com.	25	50c	..	34	32¾	34	33½	740	35	24¾
Keeley	1	24	15.3	1.64	1.51	1.56	1.64	18125	2.32	1.51
Keora	1	..	..	15⅛	11⅞	12⅞	15⅛	77800	19½	9
Kirk. Lake	1	..	..	42½	41½	41¾	42½	14500	50	35
Lakeside	1	..	..	4½	3¼	3¾	4	12000	15¾	2½
Lake Shore	1	20+5	4.0	6.30	6.25	6.26	6.29	2465	6.54	4.51
La Rose	1	..	..	42	40½	41	41	4200	55	7½
Lorrain	1	..	..	8	7	8	7¾	81500	24	7
Lorrain T. L.	1	..	..	..	..	..	..	....	1.34	90
McKinley	1	..	..	23½	22	22½	22	18400	44½	15½
McIntyre	5	20	5.3	19.20	18.85	18.90	19.15	7762	19.99	16.00
Mining Corp.	5	12½c	..	2.93	2.65	2.90	2.67	10475	3.16	2.35
Moneta	1	..	..	..	..	..	..	....	18¼	13
Newray	1	..	..	23	22¾	22¾	22	2000	28½	17
Nipissing	5	12+6	18.8	4.85	4.75	4.75	4.74	312	6.80	4.65
Night Hawk	1	..	..	..	..	..	..	....	49½	23
Ophir	1	..	..	5⅛	5⅛	5⅛	5⅛	500	7⅞	3
Peterson Lake	1	..	..	5¼	4½	4½	5½	3500	12	4½
Porc. Crown	1	..	..	4⅞	4⅞	4⅞	4½	500	8	3
Premier Gold	1	32	14.5	2.35	2.20	2.20	2.23	18370	2.58	2.00
Preston	1	..	..	8⅜	7½	8⅜	8	56200	12	6¾
Teck Hughes	1	..	..	1.78	1.70	1.78	1.74	16525	1.80	1.23
Thomp. Krist	1	..	..	2	2	2	2	3500	3	1
Timiskaming	1	..	..	..	..	..	..	....	30	15
Tough Oakes	1	..	..	39	36	36	40	25900	45	20
Trethewey	1	..	..	..	..	..	..	....	22	16¼
Victory Silver	1	..	..	8½	8½	8½	9¾	1000	31	5½
Vipond Cons.	1	..	..	1.19	1.15	1.15	1.19	9550	1.42	1.01
Wakenda	1	..	..	..	..	..	..	....	3½	1
Wasapika	1	..	..	..	..	..	..	....	3⅛	1
West Tree	1	..	..	3	2¼	2¼	3	9500	5	2
Wettlaufer	1	..	..	3⅞	3⅞	3⅞	3½	1000	16	3½
Wright Har.	1	20	3.7	5.30	5.10	5.30	5.10	1100	5.25	4.15
Oil Companies										
B. A. Oil	25	2+2	6.10	41	40	41	41	1784	41¼	36½
Imperial Oil	25	25c	7.8	32⅞	30	32¾	30⅞	1316	34¾	27½
Inter. Pet.	5	25c	.90	27	24¾	27	24¼	465	28	22¾
Cont. Oil	.	25c	1.00	26	25	25	28¾	50	29	22½

U.S. INTERESTS ARE GETTING A STRONG HOLD IN QUEBEC

Noranda Has Interested Big Mining People—Boom Seems in Offing

Big new interests from the United States have of late taken large interests in Northwestern Quebec mining area. There is every indication that a boom for that camp is pending. The recent Harvie-Smith deal which interested large mining interests, has been followed by the enlarging of the Noranda board and the introduction of big interests.

Noranda has decided to increase its board from five to nine and three of the new directors have been chosen. They are Messrs. Percy Rockefeller, largely interested in the Anaconda Copper Company; W. D. Baldwin, of the Otis Elevator Company, and Irving W. Bonbright, of the well-known firm of stockbrokers, Bonbright and Company, all of New York City.

In addition to the three gentlemen mentioned the board is now composed of Messrs. James Y. Murdock, president; H. W. Chadbourne and S. C. Thomson, joint managing directors; T. L. Chadbourne and H. G. Haskell.

Mr. Murdock announced that the directorate had not yet decided upon a plan for financing the property to the producing stage, but that some action along this line would be taken in the near future. The company will not be in a position to take its machinery and equipment in until the Canadian National Railway has built a spur 47 miles in length, but this, it is expected, will be completed before the snow flies.

In addition large United States interests are represented by the Fiske mines, which is headed by Sir George Foster.

Noranda proposes to have two companies, a mining and a smelting. Noranda shareholders are to have an opportunity to participate in new financing.

Reference was made to the recent find of free milling gold ore on the Horne property. A wide ore body was discovered in a cross-cut between No. 1 and No. 2 shafts at a depth of approximately 180 feet. The crosscut passed through 20 feet of ore which showed values of $44 to the ton by channel sampling. More recently drifting has been done on this ore body for a distance of 60 feet, and both values and widths have been found to be remarkably uniform. This discovery in itself is of much significance, since the ore body promises to produce a very considerable tonnage.

A MINING SYNDICATE

A Toronto business man has secured control of a highly regarded gold property on which considerable work has been done.

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NEW LISKEARD - ONTARIO

Mining Corp. Has Found Another Rich Ore Shoot

Rich new high grade better than anything heretofore encountered is reported as opened up by Mining Corporation on the Frontier property in South Lorrain. It was encountered in a raise from the 150-ft. level and has been opened out for a short distance. The ore is said to be so rich it will not break down and the width is said to be 8 to 12 inches. The former high grade ore shoot on this property was 105 feet long, so the present vein has been traced already for a distance two-thirds as great as that of the former shoot. The drift is being continued in the direction of the old Crompton shaft that was sunk a number of years ago by the discoverer of the property.

STAKED LARGE GROUPS

Porcupine Development and Finance has staked 27 claims in Argyle Tp., Matachewan. It is understood that diamond drilling will be undertaken.

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Current Events in Banking World

SETTING PUBLIC RIGHT ABOUT OUR BANKING SYSTEM

Information is Great Asset in Public or Private Discussion

Once again the advantage that bank managers can take of opportunities to speak before public bodies to increase public appreciation of the soundness of the Canadian banking system and the safeguards provided by the bank act, is illustrated by an address given before the Woodstock Rotary Club by Rotarian Leonard Lloyd, manager of the local branch of the Imperial Bank of Canada. Mr. Lloyd not only discussed the protection provided to bank note holders through the redemption fund, and the added security for depositors through the double liability of bank shareholders, but he also frankly dealt with the failure of the Home Bank; he expressed the opinion that had the latest amendment to the bank act, passed since the failure, been in effect the bank's affairs would never have been allowed to get into the state which led to disaster. The clause referred to was the new section forbidding a bank to include any bad or doubtful debts under the heading of current loans in the monthly statement to the government. Non-current loans, he said, were those on which no interest had been paid for two years and on which the bank has taken legal steps to recover and realize on its security, loans on which the borrower has made an abandonment of his estate for the benefit of his creditors, or loans which any manager, director or officer of the bank may deem to be no longer current.

The following incident recounted by Mr. Lloyd will be of interest to bank managers as indicating one effective method of replying to the man who thinks that he should be allowed to let his loans drag on indefinitely:

"A farmer out West once asked me the question, 'Is not my interest as good as the next man's! Why should I pay up my loan so long as I renew promptly and pay up my interest?'

"I explained that chartered banks obtained their deposits from the public who were interested in all sorts of industries and we in turn must finance all productive industries along safe lines to the best of our ability. Fishing, lumbering, mining, manufacturing were included and it would not be fair to allow any one class the use of our money for indefinite periods. In other words the bank's funds must be kept moving as fast as possible in order that the funds at our disposal might serve the public to the utmost."

Following are some historical references to banking which added to the interest of Mr. Lloyd's address and could be used by other bank managers similarly placed. He outlined the origin of banking as it was in 1584 when the first public bank of deposit was established in Venice. The Bank of Venice was called into existence by the natural development of trade and, as in Canada to-day, the bank's prosperity grew or diminished with the prosperity of the country. English banking was traced back to the sixteenth century when dealing in money was carried on by the goldsmiths of London, including Charles & Company, Martin & Company, Hoar & Company and others who operated until recent years.

The currency employed in Canada since the first occupation by Europeans was traced with an interesting review of the bills and other forms of money that were in use during the early days of the country's history.

Bank managers generally will appreciate that such study as Mr. Lloyd gave to the various questions discussed in the preparation of his address not only has its value in a public appearance of this kind but in the ammunition with which it supplies the men on the firing line who have to meet attacks from customers and others on our banking system.—J.W.T.

Lloyd's Urged to Settle Claim for Stolen Bonds

WINNIPEG.—The owners of the $102,000 Canadian war bonds stolen from the Union Bank at Melita, Man., the morning of Sept. 23, 1922, are still pressing the legal representatives of Lloyds Insurance Co., London, to appoint an arbitrator to adjust the losses. The bonds were insured under a blanket policy to the extent of $150,000 on which a premium of $7,000 was paid. The Union Bank, according to James McConnell, chairman of the Melita committee of losers, is willing to appoint an auditor, but Lloyds has not named one, and these two if named would select a third. The farmers of Melita, who are the losers, would sue Lloyds for the amount through the Union Bank if they had the money, but they have not got the sum demanded by a Winnipeg law firm to start prosecution. Of the total amount, $21,500 has been lost; $50,000 was partly registered in the owners' names, and the committee is prosecuting the investigation with a strong purpose to get what is their due. Sir Thomas White in making the appeal for funds to carry on the war said the bonds were safe investment against all kinds of risk, according to Mr. McConnell, who heard the finance minister of Canada at the time speak on the question of the security of the bonds, in the board of trade auditorium, Winnipeg. The committee of Melita residents intend to keep up the agitation to prove Sir Thomas White was speaking the truth at the time, according to Mr. McConnell, who has arrived armed with the bundle of documents to back up all his assertions. All that is now needed is for Lloyds to act.

SMALLER LIME PRODUCTION

OTTAWA.—Sales of Canadian-made lime during 1924 were 9 per cent. lower than those in the previous twelve months. This year's production totalled 9,137,009 bushels consisting of 7,820,209 bushels of quicklime and 1,316,800 bushels of hydrated lime with a total valuation of $3,178,541.

New Assistant Supervisor of Royal Bank in Ontario

Among the important changes that have occurred recently in the higher officers of the Royal Bank, is the appointment of C. J. Sloan to position of assistant supervisor of Ont. Mr. Sloan, who for some years was the efficient manager at the Yonge and Richmond St. office and there earned an enviable reputation for himself. He was called to Montreal to assume a post as one of the assistant general managers. Coming after over twenty years' service with the bank, this Montreal experience will prove more than valuable to Mr. Sloan in handling his new duties. The change was one not unaccompanied by difficulties, due to the absorption of the officials of the Union Bank, but that Mr. Sloan should fill this post seems reasonable on account of his long experience in Ontario and in the Royal Bank. Incidentally, Mr. Sloan is another one of those who do not hesitate, at this time, to prophesy that better business conditions are impending. Considering his opportunities for observation, the statement can be accepted with some measure of confidence.

Staff Gossip

L. H. Aundell of the Bank of Montreal staff, has been transferred to the Brandon branch.—Enterprise, Yorkton.

* * *

Norman Grose has been transferred from the Peterborough branch of the Bank of Montreal to the Bowmanville branch.—Examiner, Peterborough.

* * *

G. G. Gillard succeeds I. W. Ferguson as teller in the local branch of the Bank of Montreal. Mr. Ferguson has been transferred to the branch in Norwich.—Herald, Thamesville.

* * *

C. Graves, who has been ledger keeper of the Canadian Bank of Commerce here, has been transferred to the Howick branch. J. E. Longpre of the Danville branch will replace Mr. Graves.
—Times-Guardian, Richmond.

* * *

G. H. Harman, local manager of the Bank of Montreal, announces that the following changes and appointments have been made in the bank's western division. Jackson Dodds has been appointed assistant general manager for the western division, with headquarters at Winnipeg; H. F. Skey, of Winnipeg, has been appointed second agent at New York; R. J. Williams of Regina, has been appointed assistant manager at Winnipeg; H. C. Francis, of the Alberta superintendent's department, has been appointed manager at Regina.
—Phoenix, Saskatoon.

* * *

Harry G. Mistele, manager of the Waterloo branch of the Royal Bank, will shortly leave for Toronto having received official notice of his promotion to the supervisor's department of the provincial head office of the bank.

Mr. Mistele first came to Waterloo in April, 1919 when the Royal Bank branch was first opened here. Shortly after his arrival he was elected to the position of secretary of the Board of Trade which post he has held ever since.

His community interests have been largely centred in the Canadian Club and the major musical organizations of the Twin City. He is at present the president of the Waterloo County Canadian Club. His successor will be W. P. Hogg, formerly manager of the Union Bank at Oshawa.—Daily Record,

HEBRIDEANS SUCCESSFUL

EDMONTON.—The Hebrideans who have been located on Alberta land are proving successful as dairy farmers, according to a report made by Colin MacDonald, of the Scottish Board of Agriculture, who has just finished an independent survey.

Exchange

The Brazilian milreis has again been the feature of the exchange markets this week, having advanced to 13½ cents, and showing well sustained strength at these new high levels.

Sterling has been slightly reactionary under heavy selling and lost a few points. New York funds have again taken the ascendancy in relation to the Canadian dollar and remain firm at a premium of 1/32.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Sept. 3	Par	Par	Par	Par
Sept. 4	+1-32	Par	Par	Par
Sept. 5	+1-32	+1-32	Par	x1-32
Sept 7	—	—	Par	Par
Sept. 8	+1-32	+1-32	+1-32	Par
Sept. 9	+1-32	+1-32	+1-16	+1-32

xDisocunt. +Premium.

STERLING, FRANCS AND LIRE

	Demand Sterling	Demand Francs	Demand Lire
Sept. 3	4.84 9/16	4.68¼	3.97¾
Sept. 4	4.85	4.68½	3.99½
Sept. 5	4.84⅝	4.68½	4.00
Sept. 7	....	....	....
Sept. 8	4.85½	4.69¼	4.16¼
Sept. 9	4.84½	4.70	4.17¼

Weekly Bank Clearings

(In comparison with the same week last year)

EASTERN CITIES

	Sept. 4, 1924	Sept. 3, 1925
Halifax	$ 2,623,735	$ 2,887,347
St. John	4,310,640	2,349,191
Moncton	803,350	790,260
Sherbrooke	913,697	750,483
Quebec	4,742,870	6,636,772
Montreal	105,574,109	95,877,236
Ottawa	5,398,014	7,309,207
Kingston	571,793	773,085
Peterboro	618,005	727,927
Toronto	84,400,300	92,861,433
Hamilton	4,876,565	5,289,758
Brantford	733,537	908,448
London	2,275,521	2,878,789
Kitchener	629,326	1,109,121
Windsor	3,028,845	3,840,999
Total, East	$221,500,307	$224,291,056

WESTERN CITIES

	Sept. 4, 1924	Sept. 3, 1925
Fort William	$ 754,852	$ 804,962
Brandon	594,994	529,449
Regina	2,686,032	4,254,833
Saskatoon	1,340,133	1,606,834
Moose Jaw	843,220	1,029,352
Prince Albert	306,878	280,111
Lethbridge	594,291	765,050
Calgary	4,508,863	6,347,605
Edmonton	3,987,402	4,866,077
Medicine Hat	273,434	298,080
New Westminster	651,786	689,157
Vancouver	14,178,345	14,968,500
Victoria	1,621,556	1,843,638
Total, West	$32,341,786	$38,258,648

BANKS PLAN TO KEEP BOOKS FOR FARMERS

A Nominal Charge is Made to Help Defray the Actual Cost in Clerical Effort

The California Bankers' Association, co-operating with the College of Agriculture, University of California, has prepared a farm accounting system for use in its member banks located in agricultural districts. The bankers do not attempt to encourage the farmer himself to keep his own books with the forms provided, but the banks themselves offer the farmer a complete service, according to an outline of the plan by Roy Alden in Forbes Magazine. The bankers recognize that the farmer is no bookkeeper and doesn't want to be. Yet they also recognize that, if the farmer is to be able to conduct his farm on the same basis of profitable efficiency as any other line of business, he must have accurate accounting. So the banks have assumed the role of bookkeepers for their farmer customers.

A nominal charge is made to the farmer for this service to help defray the actual cost of additional clerical help that is necessary. In no instance is any bank endeavoring to conduct the service at a profit. In California, which is about 32 per cent. rural, with 280,000 rural families and a total value of farm property estimated at $3,500,000,000, the bankers have come to the realization that the prosperity of the States is about in direct proportion to the prosperity of the farmer. And in seeking to make the farmer a business man they are doing a highly important work in raising the general level of prosperity throughout the State. Of course, the banker has a selfish purpose in this work, but it is incidental to the broader benefits that accrue. Under the old order of things, the average farmer knew the date upon which his note at the bank would fall due, and the banker knew he would be called upon to extend payment, but when the due date arrived neither the farmer nor the banker could satisfactorily explain the failure to pay.

Ore receipts at the Trail Smelter of the Consolidated Mining and Smelting Co., for the period Aug. 22 to Aug. 31, totalled 11,496 tons, and for the year to date 259,562 tons.

BOOM IN PRICE OF LAURENTIDE RESULTS OF MERGER TALK

(Continued from page 1)

The plant has been constructed with a view to finally increasing this output to 180,000 h.p. This can be done at moderate expense for all that is required is to purchase the new turbine and drop it into the place which awaits it in the power house. The Quebec government has plans under way whereby the waters of the St. Maurice River may be further regulated—upon the completion of these plans, the company will be in a position to instal the remaining 20,000 h.p. generator. Since its inception in 1915, there has been no phenomenal growth to this enterprise, but the nature of this company, in both its physical and financial aspects, assures its stability, growth and future profit for the shareholders.

There is the possibility, of course, although The Financial Post has yet to hear of it, that some new development may be under way in connection with this company which would increase the value of its securities—but there is no reason to believe that Laurentide Power is included in present merger negotiations.

International Petroleum

is attracting universal interest by its mammoth development in South America. Production in 1924 was approximately 6,500,000 bbls., and upon completion of Andian National pipeline from Columbia to the seaboard, production will be materially increased. International Pete seems exceptionally attractive at present level of 26½ to 27¼.

Our International Pete Bulletin discusses its growth and future. May we send you a complimentary copy?

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September 9th, 1925.

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PUBLISHED BY
THE MACLEAN PUBLISHING CO. ,LIMITED
143-153 University Avenue, Toronto.

MONTREAL, Southam Building, Murray R. Chipman; WINNIPEG, 810 Confederation Life Building; NEW YORK, Room 1606, 1133 Broadway; CHICAGO, Room 1004, 168 North Michigan Boulevard; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E. C., E. J. Dodd, director.

The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulation, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. Inspection.

THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

TORONTO, SEPTEMBER 11, 1925

UP TO INSURANCE COMPANIES

WHEN the statement can be made that forty cents out of every dollar that the public pays for such a universal modern necessity as fire insurance is for the cost of doing business as against sixty cents for actual protection, it would certainly seem that, in the interests of all concerned, including the policyholders and the companies, it was time that something was done about it. That is the way the situation evidently appeals to Ontario's superintendent of insurance, R. Leighton Foster, and in his address before the convention of insurance superintendents at Winnipeg last week, he intimated that government regulation of insurance rates was imminent. In regard to casualty insurance, and the automobile business in particular, he described a situation which is even worse, for his investigations indicate that competition is the only real factor in the establishment of rates, it requires little study of the situation to bring conviction that insurance cannot be provided on a sound basis while such conditions prevail.

The Financial Post believes that the situation is one demanding action. And it would be much better to have the desired changes brought about by the companies themselves rather than by the government. Government regulation has its place; it is frequently justified in the public interest; but any study of the naturally complex system of insurance ratings leads to the conclusion that in the interests of all concerned they would be much better left in the hands of experts with the governments exercising nothing more than general supervision and co-ordination at most.

The point is made by Mr. Foster, and evidently with some justification, that the insurance companies are largely responsible for the present situation. Undoubtedly they realize that the high ratio of costs, largely the result of increasing commissions to agents, is having the effect of putting an undue and unjustified burden on the shoulders of their policyholders. But in their keenness to get business and stand in with the agents they have allowed competition to prevent them in showing a united front in approaching the issue. Let it be said here, parenthetically, that there are many agents who are providing their clients with a real service, and fully earning their commissions, but there are also too many who, after placing a policy, consider that they are entitled to recurring commissions without doing anything further to earn them. On the whole the costs of getting the business are undoubtedly high, and these have a direct effect in boosting rates.

At Winnipeg Mr. Foster expressed his opinion that the companies have been singularly deficient in force and ingenuity in attacking their own problems. That is a thrust which the companies will have difficulty in parrying. There is a situation which, as Mr. Foster has brought out, requires remedying, and it would be better for the companies to get together and work out the solution with or without the co-operation of the supervising authorities, rather than wait for some drastic step in the shape of government rate control which may impair the whole insurance structure.

The insurance companies have a duty to the public, to their policyholders and to their shareholders in facing this rate issue and working out a practical plan which will reduce the cost of getting and handling business.

BEWARE OF THE FREE LOT

AS EXPERIENCE teaches the sad truth about distance lending enchantment when it comes to get-rich-quick schemes it may not be out of place to warn Canadians against the lure of easy profits being held out by real estate sharks in Florida. That the public has already been victimized to the extent of large sums is indicated by the fact that federal warrants charging named individuals with extensive frauds in the sale of real estate have recently been issued; one of these concerns has within less than a year done a business of $1,500,000. The usual game is to offer a free lot, with strings to the offer which induce the credulous to part with their money.

Of course Florida's legitimate boom was, and is, thoroughly justified. Her geographical form gives her an unusual length of coast line and with a climate and taxation laws which are attracting wealthy citizens from all parts of the continent she has entered on a period of development which promises permanent growth and this has been accompanied by a real increase in realty values.

But the prudent investor who seeks to participate in Florida's new prosperity would do well to do so in exactly the same careful way that he would buy building lots in his own home town and not accept at face value everything that mail order real estate promoters would have him believe.

MR. KING AND THE GLOBE

PREMIER KING'S pre-election promise to reform the senate may perhaps serve the purpose of a peace overture to the Toronto Globe.

It is generally accepted that the defeat in the Senate of the anti-racing measure, which has been the pet uplift hobby of the Globe for several years, and the failure of the government to punish the Upper Chamber for such effrontery, was primarily responsible for the present coldness of the chief Liberal organ towards the government leader.

The public, we believe, would like some more satisfying reason for condemning the Senate for refusing to pass certain bills other than merely that they were government measures.

KEEP CANADIANS AT HOME

NINE thousand Canadians who had gone to the United States ostensibly to reside, returned to Canada during the first quarter of the present fiscal year, according to immigration department figures. And this in the face of improving business conditions over the border.

This fact ought to be weighed carefully. Emphasis should not only be put on the importance of immigration but also on the problem of keeping people in the country. In actual immediate economic value it is probable that these nine thousand are worth as much as many times this number of foreigners.

How are Canadians to be kept in Canada? Certain municipalities in the Maritimes are considering some action to give their young men a start economically. Whether or not this is feasible remains to be seen. It is certainly worth considering. After all, there is nothing that will keep Canadians in Canada like prosperity, and no more potent factor in keeping immigrants out of the country, assuming the gates are opened, than loose talk about Canadians going to the States.

EDITORIAL NOTES

AN up-to-date taxicab company in Winnipeg advertises: "No conspicuous colors." Which is an indication that in Canada, at least, people who ride in hired cars are not particularly anxious to tell the world about it.

* * *

THE Hudson's Bay Company proposes to inaugurate an immigration scheme to bring settlers into Western Canada. Just another indication of how the lack of government leadership on this great national question is making it necessary for the private corporations to act in the country's interests.

* * *

VANCOUVER wants a $4,000,000 high level bridge to span the entrance of her harbor. Would it not be better to build elevators and shipping facilities there to take care of Canada's expanding Pacific trade? This country has already financed too many costly undertakings which add little to our commercial and industrial efficiency and add to the burdens of taxation.

* * *

TORONTO'S transportation commission has just nicely got the service equipped with the "last word in street cars" when it is announced that a new car has been designed that will revolutionize this form of transportation. It is being tried out in Lynn, Mass., and is called the Rolls Royce of the trolley car family. It is described as noiseless and runs without the slightest vibration. It is equipped with roller bearings similar to those of the automobile, a feature which is expected to result in important savings in power and oil.

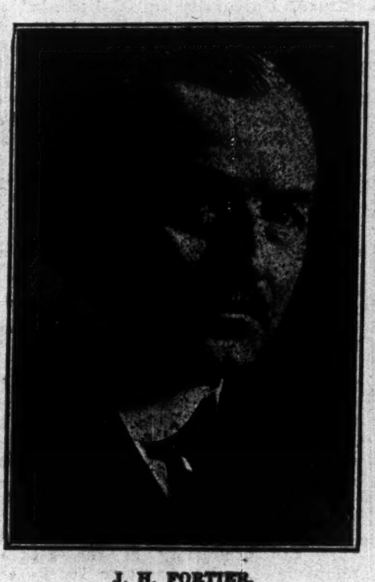
* * *

IT IS reported that Hon. G. S. Henry, Ontario minister of highways, is loath to encourage competition between buses and radials, particularly publicly owned radials. Which is another way of saying that the bus is ousting the electric railway as a popular passenger traffic medium. And yet it was only a couple of years ago that a determined effort was made by the Ontario Hydro to force through, without inquiry or investigation, a program which would have covered the province with a network of additional electric lines at a cost of a couple of hundred millions. Taxpayers have a great deal for which to thank the Sutherland Commission.

Canadian Manufacturers Ask No Privilege But Stable Policy for Good of All

President Fortier, of the C.M.A., Discusses the Three T's of Canada's Troubles, Tariff, Taxation and Transportation, at Exhibition Luncheon

By J. H. FORTIER, President, Canadian Manufacturers' Association.



J. H. FORTIER.

It has been my privilege for more than twenty-five consecutive years to be a highly interested visitor to the wonderful fair at Toronto, the Canadian National Exhibition. Here we are in a vast and beautiful temple dedicated to agriculture, industry, arts and science. This temple is a practical school and a magnificent theatre. In this school people are taught how to do things, and in this theatre we see year by year what is being accomplished in this country. For a quarter of a century I have come here to the heart of Ontario to learn the practical history of Canadian economics. Of what value is this national advertisement one can judge by the impression it creates on one's mind, judgment, imagination and determination. I only wish that all schools and theatres in this country will be as broadminded, as educative, as convincing, as truly national as this Exhibition is. Soon then there would be no more misunderstandings, racial feeling, class conflict, but the best of emulation and co-operation between all districts, creeds, and races. As president of the Canadian Manufacturers' Association, and as a business man, coming from a sister province, I want to express my very great admiration for the promoters and the management of this national exposition.

Three T's of Trouble

But as practical visitors of this splendid fair, is it not absolutely fitting, especially to-day and in this assembly, to recollect the big problems which are an obstacle if not a menace to our future as a nation. The business sense as well as the art of government consists in foreseeing the future and trying to avoid accidents. If I were inclined to be pessimistic or superstitious I should worry for the combination of the three T's that are in the bottom of the political cup, viz.: Taxes, Tariff and Transportation. This trinity might not be a mystery to solve but it is giving concern at the present time to all good Canadians.

Canadians are potentially rich, but we are one of the most heavily taxed people in the world and still the public debt is going up every year with no hope or relief in sight. That is one of the conditions which makes the cost of production so high in Canada. England, the United States, New Zealand, and other countries, are paying part of the war debts; Belgium, France and Italy, under very hard circumstances, are settling their indebtedness by annuities under plans acceptable to their creditors; even Germany is meeting certain indemnity obligations. Here, in Canada, not only are we not in a position to reduce our national liabilities, but we still live in a fools' paradise, borrowing millions of dollars every month and adding them up every year to our already too heavy obligations. Surely this cannot go on for ever. It is time for us to consider whether or not our economics and our ways of living as a nation are extravagant. Overtaxation decreases the purchasing power of the country; overtaxation prevents new capital being invested in Canadian enterprises; overtaxation drives the farmers from their land and discourages the wage-earners; overtaxation reduces the efficiency of the nation. It is no wonder that the most energetic blood of an overtaxed people is emigrating to the United States where taxes are going down and where high protective duties do safeguard agriculture, labor, industry, commerce and finance.

Protection is Obligatory

The example of our American neighbors is well worth studying and copying. This brings us to the tariff question, a much discussed and misunderstood one in too many parts of this country. In the United States the people of all occupations are so keen on custom duties and tariff protection that they have convinced the two political parties which alternately govern that country. Public opinion has been educated to that problem with such success that the American people are highly protectionist. Theoretically, I am not inclined myself to favor too much tariff protection, but practically, it seems to me that Canada cannot afford not to be protectionist, if the Canadian nation wants to live in comfort and freedom on the American continent. Even for those who incline to free-trade, it seems to me that the commercial policy of our neighbors makes it obligatory for us to use the same tactics.

I shall go one step further and remind some of our political amateurs that the only form of reciprocity that Canada can consider for a long time to come with the United States is reciprocity in tariffs. By this I mean that Canada should impose as high rates on the United States products as the United States imposes on Canadian products. As long as we are a young and growing country, we are not strong enough to compete in all lines with a wealthier and more numerous people. The commercial and industrial race between the United States and Canada can only be fair as long as the stronger competitor accepts a handicap. But for us to concede advantages to our American friends, as we actually do, is mere folly and proof that we know nothing about the economic game.

Stable Policy for Industry

As we stand here to-day in a body, we Canadian manufacturers do not ask for class privileges, but we do ask for a stable fiscal policy that will develop the whole country and benefit people of all occupations. Our aim is not selfish, but national. We do not want a kind of protection which would only mean more profits for a few to the detriment of the buying public. As conditions stand, the majority of the farming community lack provincial markets to sell their products at a fair return. A more adequate tariff would benefit these farmers in a two-fold manner, first by preventing foreign competition in fruit and vegetables and other farm products, secondly, by increasing the purchasing power of those who live in cities, towns and villages. As conditions stand to-day, the urban classes have little stability of work and lower wages and salaries. An adequate tariff would ensure the industrial and business employees against intermittent labor and small pay. It would even reduce for them, and for the farmers as well, the cost of Canadian manufactured goods, because an adequate tariff would enable industry to produce more and at less cost.

As conditions stand to-day, traffic is decreasing on Canadian railways: a more adequate tariff would favor the "Buy in Canada" campaign and thus provide more traffic and less deficits for the transportation companies.

To demonstrate that last assertion, permit me to quote here a typical example: If a ton of steel is imported into Canada from the United States, the Canadian railway transporting it receives the freight on the single ton of steel. When the ton of steel is made in Canada, Canadian railways receive freight on the coal, iron ore, ferro-manganese, calcite, and other materials to the Canadian steel plant. They also get the freight on the finished steel from the plant to its destination in Canada.

About six tons of materials are required to make one ton of steel.

In the case of imported steel, our railways get the freight on one ton of finished product. In the case of the Canadian-made steel they get the freight on the ton of finished product and also on six tons of materials.

During 1923, Canada imported 585,394 tons of steel from the United States.

$7.81 is a close estimate furnished as the actual freight paid on raw materials used to produce a ton of steel ingots.

Finished steel would carry a further amount for freight to the ultimate point of manufacture.

If the steel imported from the United States in 1923 had been made in Canada, the Canadian railways would have received a haul of 3,512,364 tons of raw materials, on which their earnings would have been approximately $4,571,927.

This example shows plainly the interdependence of transportation and manufacturing in this country, and the relation of the tariff to both manufacturing and transportation.

Transportation Troubles

This brings us to the third T, namely the complicated problem of Transportation. Many people in this country are in favor of nationalization of railways, others are against a policy which has cost the country so much in capital and annual deficits. A private company with the best of reputations, the Canadian Pacific Railway, is compelled to lose traffic by the competition of the public-owned system, and still to pay taxes on account of the deficit of the Canadian National Railways. The taxpayers themselves are in a worse position still, obliged as they are not only to pay extra taxes to cover the C. N. R. deficit, but also to pay higher rates than they should to both the C. N. R. and the C. P. R., because of the high cost of maintaining two great competing railway systems. The deficit of the government system amounts to more than 60 million dollars a year, or one-sixth of the national revenue. This is paid by taxation and the high rates represent also undue taxation. If we cannot bring together the conflicting views as to what should be done with the railways, the country is bound to go bankrupt. We have the opinion of chief executives of both railways that co-operation could reduce the cost of operation on both systems by nearly 100 million dollars annually. This is an admission that the actual railway policy of Canada costs unduly and annually an enormous sum to the public. Unfortunately, I am not an expert in railway operations, and I have no panacea of my own to offer for the happy settlement of this problem. It seems, though, that experts could be found in England, the United States, Canada, or elsewhere, to tell us and explain to us what should be done to remove that white elephant from our pet corn. There is not much time to lose either, and it will be better to swallow a bitter pill now than to wait until a cruel operation is necessary to remove the evil. The railways are the commercial arteries of the country, and the country is suffering from a severe attack of hardening of the arteries. Will the government kindly call in the doctor! In business, when a difficulty is too hard for the management to solve alone, lawyers, financiers, industrial experts, are called in for advice. A private corporation does not wait too long for that kind of consultation. Canada cannot afford to wait any longer for the settlement of her transportation troubles.

I hope I have not overtaxed your patience, gentlemen, with my allusion on a day like this to the problems which confront us and which must be settled soon if we do not want our patriotic ambitions to fail on account of lack of management in public affairs. This wonderful exposition is a true picture of the national craft with her white sails, a fair breeze, and the sea of hope in front of her. But if this racer is a sure winner, it is on account of her perfect government. May the ship of state find a pilot whose good sense will do as well for Canada as the business ability of your management has done for this Exhibition. Every time in the past that our country has met a crisis she has found the statesman with the vision and the energy necessary to save her. No doubt that the man of the hour will depend a great deal upon patriotic support to help him in his endeavor to give the Canadian nation a strong and stable government. We shall give that support with the greatest enthusiasm possible, because we know for a fact that all Canada wants to forge ahead to a new era of progress is sound economics and a good seaman at the wheel.

Dauntless Captain Dollar, Grand Old Man of Pacific

"Captain Robert Dollar is the greatest institution in the United States. Although 80 years of age he is still going. I don't see how he does it." This was a part of the introduction of James A. Farrell at a luncheon at the India House, New York, given to Captain Dollar. In reply Captain Dollar told how he did it, viz: Inspiration, aspiration and perspiration, particularly the latter.

Captain Dollar makes a trip around the world every two years. This, together with the fact that the ships of his line stop at the ports of 13 different nationalities, gives him an opportunity to study world conditions. He stressed the great importance of China. There are now over 2,250,000 men under arms there, yet Hong Kong ranks second in the ports of the world, in respect to entrances and clearances. What might it become, he asked, if it were pacified? He refrained from expressing any opinion as to the opposing parties, but asserted that China needs a dictator to restore order.

He sees improvement in European conditions, especially in France, Italy and Germany. The people of England were not pleased with the "settlement" of the coal matter by granting of a subsidy, he said. So much are they dissatisfied that if an election were held now the government would be overthrown.

In regard to government operation of ships, he is unqualifiedly opposed to such a thing. Five years ago, when prices were high, the British government began selling its vessels and continued until all were disposed of, but our government held on to its ships. It should sell them now for the best price obtainable, and get out of the business, he believes.

Grand Old Man of Pacific

Of Captain Dollar's remarkable career, Adams, in the Boston News Bureau's "Pithy Possibilities," says:

"The 'Grand Old Man of the Pacific,' Captain Robert Dollar, has a reputation of doing things which other men have said were well nigh impossible. Not long ago, he declared he was going to sail a fleet of ships around the world on regular schedule. Shipping friends scoffed but the dauntless Mr. Dollar did it and still does for that matter.

"Perhaps the indomitable never-say-die spirit of Cappy Ricks had its dawn in his early years as a cook boy in a Canadian lumber camp. In those bleak days, after the scullery work was done, the future king of the seas often spent hard earned leisure hours on a flour barrel learning to read. This employment of his time bore fruit a few years later when he ventured his first business dollars in some timber land. Followed long, lean years of desperate struggling until the fickle lady of fortune deigned a flickering smile his way and the country soon recognized him as its foremost lumberman.

"Not until he was 57 did Captain Dollar own a vessel and then it was a sorry looking craft. But lumber needed to be shipped and time, producing its changes, enlarged the one boat into many more, until the captain's ships could be found on all seven seas. Recently he purchased the 'President' liners from the U. S. Shipping Board."

Hard Work and Keeping Faith With Public Foundation of House of Eaton

By J. W. L. FORSTER, in MacLean's Magazine.

Timothy Eaton was a good conversationalist, when you touched the chords of his philosophy. I remarked upon cost of living and wage levels as leaving little margin between. That seemed to waken him. "I've worked overtime for forty years and it hasn't hurt me," he said. "If a man really wants to get ahead is there any better way, tell me that? A man who works longer hours than meet his needs will have a margin of profit. That gives his family comforts, and he and the whole country prospers. How else will it be done; tell me? Another thing, Mr. Forster," he continued, "if a good workman can live on what he earns in three days and won't work four, he loses self-respect, and raises the cost of everything. How will you keep costs down without everyone keeps faith with himself and with others; tell me that? And tell me, who does a man work for if not for himself? Does he not use a manager's brains to supply him with something to do, that gives him a living? He's got a job, and the good spirit he shows in his work makes it good, and that betters his chances, for he's working for himself, isn't he? Isn't that true?" The honest light of his eye and the play of his features was seen in the Socratic exercise of asking questions.

His vision of the national aspirations of Canada, extending its commonwealth from Labrador to Vancouver Island, and the genius to co-ordinate these reaches in a business organization, showed his ability. He pushed the principle, "Keep Faith with the Public," till over the whole Dominion, in all harbors washed by Behring and Greenland currents, his name became known. Long e'er his passing the nabobs of our capitals, hinterland Indians and Eskimos of the last North believed in him, and his mail order business reached over three continents.

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4½% Bonds
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Personal

Edward R. Stittinius, member of the firm of J. P. Morgan & Co., whose death occurred a few days ago was a director of General Motors Corp., Guaranty Trust Co. of New York, International Agricultural Corp., International General Electric Co., Babcock & Wilcox, Atlantic Coast Lumber Corp. and American Cotton Fabrics Corp. Mr. Stettinius was born in St. Louis and educated in St. Louis University. He was treasurer and later vice-president and general manager of Stirling & Co., machinery manufacturers, 1892-1905. In 1905, he formed the Stirling Consolidated Boiler Co., which was consolidated in 1906 with Babcock & Wilcox Co., of which he became vice-president. He was elected treasurer of the Diamond Match Co. in 1908 and became president in 1909. In 1915 he went with J. P. Morgan & Co. to organize department for purchase of supplies for the Allies, becoming a member of the firm January 1, 1916. When the United States entered the war, he was appointed Surveyor General of War Supplies of the war department, became a member of the War Council, March, 1918, and second Assistant Secretary of War, April 6, 1918. He represented the United States on the Inter-Allied Munitions Council in Paris, July 1918, and was special representative of the U. S. war department in Europe from August, 1918 to January, 1919, when he resigned and resumed his connection with J. P. Morgan & Co.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Mount Royal Preferred

Subscriber.—What is your opinion of Mount Royal Hotel preferred stock?

Our advice is that there is a pool in New York operating in Mount Royal, and there is talk of a dividend being paid. The stock is quoted 39 bid, 40 asked, in New York. You would be unwise to make the exchange, and had better hold your Mount Royal for a while.

Pan American "B"

W. A., Edmonton.—Would like information regarding the Pan American Petroleum and Transport Company.

W. A., Edmonton: Pan American Petroleum and Transport Company controls a number of oil propositions operating in California. There is a fund of debts of $6,416,500 which bonds are due in 1930. The 7 per cent. cumulative preferred stock not long ago called for redemption, leaving the two classes of common stock to stand at the funded debt. Of the ordinary common there is $50,077,700 outstanding and of the common "B" there is $57,856,600 outstanding. Both common rank the same as to dividends, the only difference in the two being that the "B" has no voting rights. The par value of the "B" is $50 and the market range for 1921 was high 71, low 34, 1922 high 95 low 44, 1923 high 86, low 50. 1924 figures are not available.

In 1923 the company paid 15 per cent. on the common stock plus a 20 per cent. stock dividend. The stock is well regarded as a speculative proposition and will likely be improved in its position when the fund of debts is cleared out of the way.

Laurentian Hydro

J. R., Quebec.—Will you kindly give me your opinion as to the prospects of the Laurentian Hydro Electric, which is operating in the northern counties of this province, also the worth of the preferred shares?

The Laurentian Hydro Electric is controlled by Quebec Southern Power, the latter concern owning 92 per cent. of the stock. An offer was made to the preferred shareholders to exchange their preferred stock share for share, for stock in Quebec Southern. This we would advise you to do.

There is no general market as yet for the preferred stock of Quebec Southern, but you would probably be able to obtain something over 80 for it. At the present time, we understand that the parent company is earning about twice its bond interest requirements. Quebec Southern has not been in operation anything like a full year as yet and, naturally, it is impossible to forecast what the dividend action on the preferred will be. However, the company is expanding, and so is its district in which there is a good demand for power, and, when present extensions are completed, there should be considerably increased revenue.

Norman Investor

Banker.—One of our customers has a net capital of $5,000 which she wishes to invest, and the following list has been submitted to her:

	Cost	Yield
Govt. and Provincial—		
1,000 Prov. of P.E.I. 4½%, due Oct., 1944, at 96.80	$968.00	4.75%
Telephone—		
500 Bell Tel. 5% 1st Mort Mar. 1, 1955, at 99.25	496.25	5.05%
500 National Tel. 6½% 1st Mort. Oct. 1, 1952 at 101	505.00	6.45%
Electric Traction—		
500 Camaguey Elec. 6½% 1st Mort. Oct. 1, 1952, at 102	510.00	6.35%
500 Ottawa Tract'n 5½% 1st Mort. July 1, 1955, at 101	505.00	5.40%
Real Estate—		
500 Montreal Apt's 6½% 1st Mort. Jan. 1, 1940, at 100	500.00	6.50%
Pulp and Paper—		
500 Fraser Co. 6% 1st Mort. Jan 1, 1950 at 98.50	492.50	6.125%
Stocks		
Banks—		
2 shares Royal Bank 12 plus 2% at 236, approx.	472.00	5.98%
Preferred—		
5 shares Price Bros. 6½% cum. pfd. at 97	485.00	6.70%
	$4,933.75	53.30

Cost, $4,933.75 plus acc. int. average yield 5.92 per cent.

These investments have been taken with the view of eliminating risk and giving the highest possible yield. I should like your opinion as to the advisability of the woman investing her sole capital in the above list.

As your client is a woman with resources which total only $5,000, we believe that a large proportion of her investment might go into government or first rate municipal bonds together with a few bonds of some public utility corporation.

In the list which you have forwarded us, some $2,000 in all has been invested in securities which might not altogether be regarded as desirable for a woman. At any rate probably not such a large proportion of the total should go into these securities. Price Brothers preferred stock is undoubtedly good, but it is more a business man's investment. The Fraser Company bonds are well secured by the assets of this company, but it is an industrial bond, and the Camaguey Electric bonds, it must not be forgotten, are a mortgage on a property situated in a Latin-American republic.

Real estate bonds, too, are a better investment for a widow, and the one suggested might be purchased, but not over $500. National Telephone is hardly suitable for your client, though a good issue. Sacrifice something in yield and gain more safety under the circumstances.

'Peg and B.C. Electric

Reader, Edmonton.—What is your opinion on Winnipeg Electric as a speculation? Also do you regard B. C. Electric shares as being a good purchase to hold for higher prices?

Shares of Winnipeg Electric common are selling around 52, preferred 97. The common sold as low as 24-25 last year. Dividends are now being paid at the rate of 4 per cent. and it is generally felt that they will be maintained. The preferred is 7 per cent. cumulative. A much better feeling for these shares is abroad due to the negotiations with Winnipeg Hydro which may bring to an end the keen competition which has existed in the city for some time. Negotiations with the city in regard the Street Railway are going on and the outlook here is equally bright.

B. C. Electric has three classes of stock:

These prices are the top or near the top for as far back as 1915. They are London stock exchange quotations.

The outlook for the company from a power development standpoint is excellent. It is steadily increasing its output and sales. Gas sales are also increasing. We would call your attention to a review of the company's position recently published in our British Columbia number, published Aug. 14.

Nipissing

J. B., Calgary.—I wish to know if the Nipissing Silver Mine is in good hands. What is your opinion of the company?

Nipissing Silver Mines have seen their best days. The property has been declining for some time and dividends have been cut and earnings have fallen off.

The company treasury is very strong and we recently figured out that the value in the treasury is about equal to the present market value of the stock.

Four Provinces Depend on Reciprocity in Death Duties

New Brunswick, Prince Edward Island. British Columbia and Saskatchewan Have no Fixed Arrangement, but in Practice Always Deduct Duties Paid Outside

A third group of the provinces have no hard and fast reciprocal relations with outside jurisdictions, relative to the deduction of succession duties paid outside, or practically none. Instead, they arrive at provisional reciprocal agreements, and deduct such payments, provided the rate is not greater than that of the province concerned. This group includes New Brunswick, Prince Edward Island, British Columbia, Quebec, in some respects, and Saskatchewan. The legislation of the latter province may be taken as typical.

In their attempt to overcome the evils of duplication in succession duties, the third group of provinces comprising New Brunswick, Prince Edward Island, British Columbia and Saskatchewan differ little from the last group studied, but there are certain subtle differences. Rather than making definite and binding agreements with other provinces and countries, these provinces have left the matter more or less open, and have adopted the practice of deducting the duties paid elsewhere, when reciprocal arrangements have been made. From the investment standpoint, the results are the same whether fixed agreements have been made or tentative agreements followed.

Legislation on the matter is probably most concisely stated in the case of Saskatchewan, a clause from whose Succession Duty Act follows:

"Where upon any property locally situated outside of Saskatchewan, or any interest therein, as aforesaid, there has been paid any estate, succession or legacy duty or tax elsewere than in Saskatchewan, and such duty or tax is less than the duty or tax payable to this province, under this act, an allowance so paid shall be made by this province, and the property upon which such duty or tax has been paid elsewhere shall be subject to the payment of such portion only of the succession duty provided for in this act as will equal the difference between the duty payable under this act and the duty or tax so paid elsewhere:

"Provided that such allowance for any estate, succession or legacy or tax payable elsewhere than in Saskatchewan shall be made under this section only as to any country, state or British province or possession where an allowance is made for the succession duty paid under this act on property situate in Saskatchewan, passing on the death of any person domiciled elsewhere than in Saskatchewan, and only if the Lieutenant-Governor in Council shall have extended the provisions of this section as to such allowance by this province, so as to apply to such country, state or British province or possession;

"Provide also that the Lieutenant-ant-Governor in Council revoke any such order, where it appears that the law of any such country, state, British possession or province has been so altered that it would not authorize the making of an order under this section."

Translated into every-day language, this means that Saskatchewan follows the practice of deducting duties paid outside in order to avoid duplication, but retains the right to discontinue at will, and to extend the privilege only to those who reciprocate.

In the case of New Brunswick, British Columbia and Prince Edward Island, a slight variation exists. Each of these provinces has taken a step towards fixed reciprocal relations. New Brunswick extends reciprocal relations to Great Britain, Prince Edward Island to Ontario, and British Columbia to both Great Britain and Ontario. In the case of New Brunswick the duty paid to any part of the British Dominions, or to a foreign country, and, in the absence of reciprocal agreements, the duty paid outside, may be deducted as a debt from the value of the estate before arriving at the amount chargeable with succession duties in New Brunswick. If the Provincial Treasurer is satisfied that estate, legacy or succession duty has been paid on New Brunswick property at home or abroad, an allowance shall be made from that amount payable within the province, provided the Lieutenant Governor in Council has extended reciprocal provisions and has not revoked same. Prince Edward Island, Saskatchewan and British Columbia add the clause: "provided that the rate of taxation charged by the outside authority is not greater than that chargeable by" the province concerned.

Rates Charged and Exemptions

While the similarity of the legislation makes it unnecessary to deal with all the provinces separately and in detail, the exemptions in the Saskatchewan Act are again typical of the Acts of the group. There is no duty on any estate the aggregate value of which does not exceed $1,000. If the deceased was domiciled in Saskatchewan at the time of his death, and passes the estate to an immediate blood relation, the estate is exempt up to $10,000. In the case of an insurance policy, if the beneficiary is an immediate blood relation or wife or husband, and the total payable does not exceed $5,000, the succession duty does not apply. If one beneficiary receives more than $5,000 by virtue of the fact that the deceased has effected two or more contracts of life insurance, the exemption does not apply. For the individual beneficiary there is exemption of $300.

Details of the actual rates chargeable, etc., may be had on application.

Current Opinion

WOULD BITE OFF HIS OWN NOSE

Besco Bulletin.—Amongst the industries that have been hard hit by European competition is the manufacture of woollens. Both in Canada and the United States this industry has been threatened with extinction. Representations were made to the Canadian Government that more effectual protection should be given through the tariff or the domestic production of woollen goods would be stifled by foreign competition.

In the United States the woollen textile manufacturers, finding it impossible to maintain the rates of wages hitherto current in that industry, proposed a reduction of ten per cent. in order to enable them to keep their mills going in face of the keen competition of their European rivals. The only alternatives appeared to be lower wages, with comparatively steady work, or an absolute stoppage of employment.

Instead of considering these fairly and with a determination to arrive at the best solution of the difficulty the president of the American Federation of Labor appealed to President Coolidge to intervene and prevent the millers from putting the proposed reduction into effect. Coupled with his appeal was the remarkable demand that if they persisted in their intention, the tariff on imported woollens should be materially reduced.

This is a fair example of the false logic that such people continually employ and of the distorted vision with which they see everything connected with wage scales.

Surely it is a simple proposition.

If, with the protection afforded by the existing tariff, manufacturers cannot meet foreign competition without reducing wages ten per cent., it is as clear as daylight that with every cut in the tariff rates there must be a further cut in wages, of a complete tie-up of the industry. And if once that shoulld happen, and the flow of trade should be turned into foreign channels, it may be a most difficult operation to turn it back.

Some resourceful engineers were building a dam upon a stream with a very strong current. In order to make their work easier they diverted the stream, intending to restore it to its original channel when the dam was finished. But greatly to their surprise and annoyance it could not be persuaded or forced to come back and their fine expensive dam was left without water.

It is best to keep useful streams flowing even if they may be troublesome at times.

It may be better to work for lower wages to keep the mill or the mine running than to let the stream of trade flow into some other channel from which it may be difficult or impossible to turn it even when we are most anxious and willing to have it back.

Don't bite off your own nose to spite someone else's face.

Marketable investments

Having been associated with the original issue of the following securities, we are at all times prepared to quote markets in them.

Bonds

Montreal Tramways Gen. & Ref. 5's.......1955
C.P.R. 4½'s 1944
Bell Telephone 1st 5's..1955
Quebec Power 6's 1953
Jamaica P. S. 6½'s....1943
Brompton P. & P. 6's..1939
Brompton P. & P. 8's..1941
Howard Smith 7's 1941
Drummond Inv. 6½'s...1938

Preferred Stocks

United Securities 6%
Ottawa L. H. & Power 6½%
Brantford Cordage 8%
Continental Baking 8%
Jamaica Pub. Service 7%

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Why He Takes The Post!

The service for investors given by The Financial Post is particularly appreciated by Canadians with interests here now residing in other countries. Following is an extract from a letter received from Boston:

"I am a subscriber to The Financial Post because I lived in Canada for the greater part of my life and have my savings invested there. Am a retired man—pensioned by a large corporation after a long period of service—with relatives and friends in Canada. The Post is to me interesting and I value it highly for its optimistic and pushing spirit. It should prove an inspiration to many an inspiring young man. Its leading articles are especially and its criticisms seem to be honest and fearless. This in addition to the valuable investment information it always contains will keep me on your subscription list."

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The Free Lot is Latest Form of Sucker Bait Offered Public

The free lot is the latest form of sucker bait being held out to those who would get rich quick. It is a feature of the real estate boom which has developed in some of the southern states, and Florida in particular. How the victims are lured into speculative blunders is told in a report by the Better Business Bureau of New York.

Real estate, with the magic name of Florida often attached, is claiming the attention of many formerly engaged in stock-swindling.

In addition to the new lines of operation involving Florida development schemes, set in motion wherever persons with ready cash are likely to congregate, such as the popular shore resorts. "free lot" schemes have multiplied. The sharper in question feels much safer in turning to real estate. He is, first, dealing in something tangible, however worthless as an investment; second, he finds ready-established an accepted custom of exaggeration in selling; third, the luckless purchaser who complains, is more likely to be reminded of the ancient rule of barter, "caveat emptor," in a real estate deal than in stocks.

In a typical "free lot" scheme, a 20 x 100 foot lot plotted on unimproved farm land is awarded for solving a very easy puzzle. The catch is in a small charge for "drawing up legal papers," which is about five times the $1.00 each which the lots cost the company. Lots additional to the award are offered at about $50 each. The land is covered with heavy growth only a 50-foot "Main Street" having been pioneered.

In other schemes, the lots are "given away" as advertising, with the expectation of selling additional holdings at high prices. In one such scheme, women victims were awarded lots represented to be worth $450 each and were then sold others at $1,500 each, with an allowance for the so-called "free" lot. The purchasers were induced to make prompt payment in full by the representation that a buyer was ready to take the lot, when free and clear, at a good profit.

QUEBEC SOUTHERN POWER Corporation

6½% FIRST MORTGAGE and Collateral Trust Sinking Fund Gold BONDS Due May 1st, 1945

¶ The essential character of the service rendered by a public utility such as the Quebec Southern Power Corporation makes for more stable operating conditions and more consistent and uniform growth in net earnings than is the case in industrial and merchandising companies. Capital invested in such enterprises is therefore safeguarded to a degree that appeals to the most careful investor.

¶ We recommend the purchase of these bonds now, while the common stock is available as a bonus. Write for circular and map.

Price: 100 and interest to yield 6½%.

Bonus of two shares of common stock with each $1,000 bond.

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Dominion of Canada

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Dated September 1, 1925 — Due September 1, 1940

Coupon Bearer Bonds in denominations of $100, $500, $1000

These Bonds of the Dominion of Canada constitute an investment of the highest order and may be easily converted into cash at any time. Interest is payable on March 1 and September 1 at any branch in Canada of any chartered Bank.

Orders to purchase Bonds of this issue for cash or instructions to exchange War Loan Bonds due December 1, 1925 may be telephoned or telegraphed at our expense.

Price 97½ and interest, yielding over 4.75%.

This offering is made subject to prior sale and change in price.

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News of the Investment Market

THE NEW FEDERAL ISSUE STIMULANT TO BOND MARKET

Considerable Saving in Interest is Effected on New Flotation

The new federal loan to be floated in the Dominion is the all-absorbing factor in the bond market at the moment, and there is a general feeling that this will see the end of the stagnant condition of the market which has existed for some weeks. The issue which amounts to $75,000,000 was sold at 97¼, which represents a yield of more than 4¾, by a syndicate comprising Dominion Securities; A. E. Ames; Wood, Gundy; National City Co.; Bank of Montreal; Royal Bank of Canada; Canadian Bank of Commerce. The bonds are of fifteen years duration, and were more than half taken care of within twenty-four hours after the announcement was made.

It is the opinion of the investment banking houses that the loan was placed at an opportune moment, and that the price received was a satisfactory one. The Canadian market was bare, and the crop outlook promises that the volume of investable funds this fall will be great. The proceeds of the issue are to be used to refund an issue of $42,014,500 tax free bonds issued in 1915 and maturing the 1st of December. This bore interest at 5 per cent. and was sold to the public at a price yielding 5½ per cent. The new money, consequently, will save the country a considerable sum in interest in addition to the fact that the maturing loan was free from the income tax.

Year's Financing Largely Done

Most of the provinces have taken care of their borrowing for the year, and there will not be any more Dominion financing until the beginning of the year. Nova Scotia, however, will be in the market shortly for some $4,000,000. Tenders are being invited for 4 and 4½ per cent. coupon debentures with a duration of twenty, ten, three and two years, with interest payable in Canada and also in New York.

The advance to 5½ per cent. of the New York call rate this week has created considerable interest in the bond market, and there is some difference of opinion with regard to its significance. Had the rate risen prior to the end of the month, it would probably have indicated nothing more than a preparation for month-end settlements, but coming as it did neither at the end or middle of the month it was taken by some as portending higher rates. There seems little, however, to justify this assumption. Over a longer period, it is highly probable that the large volume of foreign borrowing which is likely to come into the New York market this year will strengthen rates. In any event, the call rate has less permanent significance than have commercial paper rates.

Interesting reference is made in the annual report of the Committee on Municipal Administration and Finance of the Investment Bankers' Association, to the recent rise in investment values in Canada. The report states that an examination of the sales records reveals the fact that Saskatchewan bonds, which in 1914, before the war, were retailing at 5.25 basis, and which yielded as high as 6¾ per cent. in 1920, are to-day being marketed at 4.90 per cent. The return on Toronto bonds has decreased from 6.50 per cent. to 4.90 per cent.; the yield on Province of Ontario bonds has decreased from 6.60 per cent. to 4.80 per cent., and in the case of Belleville, Pembroke and Windsor securities which in 1914 were being sold at 5.25, 5.50 and 5.35 respectively are now being retailed at prices considerably higher than these. It may be truly said also that so far as Canadian provincial and western municipal bonds are concerned, 1925 has finally witnessed a return to levels approximating those in the pre-war period, January-July, 1914.

New Debenture Issue by Burrard Inlet Co.

The issue of debentures amounting to $70,000 was authorized by the shareholders of the Burrard Inlet Tunnel and Bridge Co., of Vancouver. The additional funds are required for the completion of the approach of the new bridge on the north side as well as for electrical work not included in the original contract. The new issue has been guaranteed by the ratepayers of the North Shore municipalities recently. Full details of the bond issue have not yet been announced, although a meeting was held for that purpose.

NEW FINANCING BY ST. LAWRENCE PAPER

Annual Report Makes Appearance With $900,000 Bond Offering

From Our Own Correspondent:

MONTREAL.—The second annual report of the St. Lawrence Paper Mills for the year ending June 30, 1925, made its appearance this week at the same time that Nesbitt, Thompson and Company announced a new issue of $900,000 first mortgage 6 per cent. bonds, series "B," of the company.

The new financing is required to defray the cost of additions end extensions, including a 100-ton sulphite mill, the completion of which will give the company its entire supply of raw material for the production of newsprint; in the past, the sulphite requirements were purchased on the market.

The New Issue

The new issue of bonds ranks equally with the first mortgage twenty-year bonds, series "A," but the interest paid on this new issue is 6 per cent., as compared with 6½ per cent. paid on the preceding issue. The deed covering these bonds carries the stipulation that further bonds may be issued only to the extent of two-thirds of the cost of additions or extensions, and then only when the net earnings for the previous fiscal year, after deducting maintenance, renewals and sinking fund amount to not less than twice the interest charges on the bonds issued and to be issued. It provides also for an annual cumulative sinking fund commencing September 1, 1927, sufficient to redeem 60 per cent. of the issue by the maturity date. The offering price of the series "B" bonds is 98 and accrued interest will make a yield of 6.20 per cent.

Earnings on Bonds

For the year ending June 30, 1924, the company earned five times its bond interest requirements, and for last year the earnings, including the interest on this new issue, amount to over four times the bond interest requirements.

Out of the new production of 100 tons per day of sulphite, the company will utilize some 35 tons in the manufacture of its own newsprint, and the remaining production has been sold under contract to the Wayagamack Pulp & Paper Company. It is expected that the addition of the sulphite mill will materially reduce manufacturing costs.

By this new financing, the only change made in the capitalization of the company is the increase in the bond issue from $2,500,000 to $3,400,000.

The Year's Profits Up

The profit and loss statement for the past fiscal year shows an increase in both gross and net profits, and a surplus for the year, after payment of preferred dividends, of $189,270. This compares with a surplus last year of $162,296. It is to be remembered, and it is pointed out in the report, that this showing, as far as surplus is concerned, is in part due to the fact that the sinking fund on the series "A" bonds does not begin until March 1, 1926, and on the series "B" bonds until September 1, 1927.

	1924-25	1923-24
Profits	$863,469	$825,846
Deduct:		
Depreciation	271,265	271,265
Bond interest	162,560	28,997
Bank interest	....	139,776
Tax reserve	45,433	40,509
Net income	$389,270	$345,296
Pfd. dividends	200,000	183,000
Surplus	$189,270	$162,296
Prev. surplus	162,296	....
P. & L. balance	$351,566	$162,296

The Working Capital

The figures of the working capital position at the close of the past two fiscal years compare as follows:

	1925	1924
Current assets	$1,699,296	$943,027
Do., liabilities	295,936	235,343
Net work capital	$1,403,360	$707,684

The principal change in the balance sheet is naturally the increase in the bonds outstanding. On the asset side of the exhibit the plant has written down over $130,000, and the cash on hand has increased from $245,271 to $882,396. As well as the cash account, the total of the other liquid assets of the company has been increased.

BOND MOVEMENTS OF THE WEEK

WEEK ENDING SEPTEMBER 8

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Range 1924 Low	Range 1925 High	Range 1925 Low	Latest Ask	Latest Bid	Price High	Price Low
Asbestos	5	1942	5.84	83½	73	99	80½	91	—	91	—
Montreal Trams.	5	1941	5.23	95½	91	98½	93	97½	—	97½	—
Quebec Rly.	5	1939	5.57	91	80	98	89½	94½	—	94½	94
Wayagamack	6	1951	6.82	86	74	98½	84½	90	—	90	89½
War Loan	5	1925	4.25	100.95	100.15	101.15	99.80	100.25	100.15	100.00	—
Do.	5	1931	4.60	102.45	100.60	102.65	101.00	102.35	102.35	102.20	102.15
Do.	5	1937	4.50	103.85	102.60	104.95	103.80	104.60	104.50	104.60	104.50
Victory Loan	5½	1927	4.50	103.05	102.05	103.15	102.05	102.40	102.30	102.35	102.15
Do.	5½	1933	4.63	106.70	104.15	107.00	105.40	106.00	105.85	105.98	105.72
Do.	5½	1934	4.97	104.70	102.85	104.75	103.20	104.25	104.15	104.30	103.90
Do.	5½	1937	4.55	108.90	106.15	110.00	108.35	108.90	108.80	109.00	108.50
Do. Renewal	5½	1927	4.80	102.70	101.10	102.95	101.10	101.65	101.50	101.75	101.20
Do. "	5½	1932	4.96	103.90	102.10	104.20	102.85	103.45	103.35	103.55	103.10
Do. Refund	5	1928	4.84	100.85	99.40	101.45	100.15	100.55	100.45	100.65	100.30
Do. "	5	1943	4.82	102.85	99.00	102.90	101.15	102.00	101.90	101.90	101.75
Do. "	4½	1944	4.72	97.15	97.00	97.75	95.05	97.50	97.40	97.55	97.30

Funded Debt of Dominion Shows $8,325,704 Decrease

A decrease of $8,325,704 in the net debt of the Dominion at the end of August in comparison with that at the end of July is shown in the financial statement published by the Dominion government, dated Sept. 5, 1925. In comparison with the same time last year there is a decrease of $20,594,038 in the net debt. The figures are $2,366,923,600 and $2,387,517,638 respectively. The detailed statement follows:

Liabilities — Public Debt, August 31	1924	1925	$ 1924	$ 1925
Funded Debt—				
Payable in Canada			1,895,751,273	1,895,682,544
Payable in London			336,001,469	311,668,136
Payable in New York			210,932,000	300,874,000
Temporary Loans			91,520,000	204,000
Bank Cir. Redem. Fund			6,356,044	5,993,803
Dominion Notes			210,808,592	208,841,477
Savings Bank—				
Post Office Savings Banks	24,092,251	23,649,831		
Dominion Government Savings Banks	8,872,389	8,784,781		
			32,964,640	32,434,612
Trust Funds			14,488,528	14,499,776
Province Accounts			11,920,327	11,919,990
Miscellaneous			53,139,479	54,295,163
Total Gross Debt			2,863,832,352	2,836,413,491
Assets				
Investments—				
Sinking Funds			36,676,945	39,747,187
Other Investments	647,084,893	654,446,055		
Less Non-active	556,840,414	556,578,401		
	90,244,479	97,867,654	90,244,479	97,867,654
Province Accounts			2,296,173	2,296,173
Miscellaneous	404,521,041	386,733,198		
Less Non-active	57,423,923	57,154,320		
	347,097,118	329,576,877	347,097,118	329,578,877
Total Active Assets			476,314,717	469,489,893
Total Net Debt August 31			2,387,517,638	2,366,923,600
Total Net Debt July 31			2,391,451,680	2,375,249,305
Increase of Debt			....	....
Decrease of Debt			3,934,041	8,325,704

F. E. Meredith is Made National City Director

Announcement is made of the appointment of F. E. Meredith, K.C., LL.D., senior member of the firm of Meredith, Holden, Heward & Holden, Montreal, to the Advisory Board of the National City Co., Ltd., to fill the vacancy caused by the death of the late Sir Augustus Nanton.

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CENTRAL CANADA LOAN AND SAVINGS COMPANY

Dividend No. 166

Notice is hereby given that a Quarterly Dividend of Three per cent. (3%) for the three months ending September 30th, 1925, (being at the rate of Twelve per cent. per annum) has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Thursday, the 1st day of October, 1925. The Transfer Books will be closed from the 16th to the 30th of September, both days inclusive.

By order of the Board.

G. A. MORROW,
Managing Director.

Municipal and Provincial Finance

FENWICK FIASCO COST NOVA SCOTIA OVER $100,000

Bank Interest Was Allowed To Compound For Some Years

A dead loss of $100,000 to the taxpayers of Nova Scotia is said to be the result of a mining experiment undertaken by the government some half dozen years ago, and allowed to drift since that time. The new provincial government, on advice of counsel has settled the outstanding obligation and terminated the matter.

The Fenwick mine proposition was begun in 1917 when an agreement was entered into with the Royal Bank of Canada guaranteeing the payment of $35,000 with interest at the rate of 6 per cent. The funds were advanced to the Fenwick Coal Company which had been formed to carry on development work in Cumberland County. A year later an additional advance of $30,000 was made to the company, bearing interest at 7 per cent., and was also guaranteed by the government. A further smaller advance was made since. After operating for a short period the company went into liquidation, after making the claim that conditions made it impossible for them to carry on longer. Nothing was done in the matter at the time, and the loan was allowed to renew automatically, although it is stated that the bank made an effort to recoup itself at different times. In 1922 the public accounts of the province show assets of $73,000 and liabilities of $84,744 in connection with the Fenwick mine, but since that time the matter has been allowed to lapse, no statement of the account appearing, as such, in the public accounts.

With the coming into power of the new government, it is understood that the Royal Bank renewed its effort to obtain settlement of the amount outstanding. Interest payments had been allowed to lapse also, and the original principal accumulated rapidly. The original contract seems to have made provision for compounding the interest monthly but an arrangement was finally made whereby the interest was compounded annually. The total amount borrowed from the bank and advanced to the company was $64,849. The compound interest on this amount over the period had reached $38,285 at the end of June this year, or considerably more than 50 per cent. of the total principal. This makes a grand total of more than $103,135. With the interest between that date and date on which settlement was made to the bank, the amount of the government's obligation reached approximately $105,000. Whether or not this represents the total obligations of the province arising out of the transaction, has not yet been divulged. It is reported that there is a claim of some $2,000 to satisfy a lien for wages, behind which also stands the government guarantee.

Whether or not the assets of the obsolete company can be realized upon to any appreciable extent has not been stated as yet, but it is understood that they will not be worth more than a few thousand dollars at the most.

Hydro Avoids School Taxes in Stamford

NIAGARA FALLS.—By the decision of County Judge Livingstone, presiding over the Court of Revision, Stamford Township has lost $4,000,000 in school assessment against the Hydro Commission. The Commission successfully showed that the recent amendment exempted the commission from all taxes except on land values. The effect of the exemption will be virtually to double the amount of taxation to be paid by ordinary ratepayers in certain sections.

This Week's Bond Sales

An issue of $12,500 town of Middleton, 5 per cent., 30-year bonds, has been awarded to H. M. Bradford & Co., on a bid of 100.21.

CITY OF HULL ISSUE

A block of $142,000 5 per cent. 31-year bonds of the city of Hull, Que., has been awarded to Renaud & Co., at 99,358 The bids

Renaud & Co.	99.358
Mead & Co.	98.86
H. R. Bain & Co., and Municipal Bankers Corp.	98.67
Matthews & Co.	98.28
Wood, Gundy & Co.	97.84
Cochrane, Hay & Co.	97.39

Vancouver is Demanding Canadian National Hotel

Vancouver wants a hotel built by the Canadian National Railways, and is impressing the fact upon the heads of the road in no uncertain terms. It is stated that a communication from the mayor of the city to Sir Henry Thornton asserts that if prompt action is not taken by the railway in the carrying out of its alleged obligation to build a first-class hotel in the coast metropolis, the city will be forced to build the hotel at the expense of the railway company.

The question of a hotel for Vancouver to be built by the Canadian National Railways is a vexed one. Apparently it was the contention of the railway that if they were forced to make heavy expenditure in the coast province, they could call upon the provincial government to pay about $15,000,000 to make good bonds which were guaranteed by the government. In contravention of this argument Mayor L. D. Taylor replied that this obligation could fall upon the British Columbia Government only upon the bankruptcy of the railway. So the matter stands.

LAND AUCTION SALE STARTS SMALL BOOM

Building Program Commences And Assessment Roll Increased by $300,000 Immediately

From Our Own Correspondent.

VICTORIA.—The greatest wave of optimism since the boom days preceding the war has swept over Victoria as the result of the success of the recent auction sale of lands that had reverted to the city in the last ten to fifteen years and other developments which have been announced in the last few months. In two days 150 pieces of property, including vacant lots, houses, store and hotel property were disposed of at a price of $148,000 or a rough average of $1,000 per parcel. The sale immediately increases Victoria's assessment role by over $300,000 and makes property which formerly had produced no taxes tax producing. For several years past the Publicity Bureau, the Chamber of Commerce and service organizations had been battling a spirit of pessimism injurious in any city and which had spread to an extent that was absolutely unwarranted by business conditions throughout the city. Real estate men complained that sales to outsiders particularly those drawn to Victoria as a tourist city and impressed with the apparent opportunities for investment had been killed by the damper thrown on the prospective purchaser by Victorians themselves. Outside capitalists had been warned off by the discouragement of local residents. All comparisons on business were not made on normal times but with the hectic days of 1910 to 1915 when thousands were made overnight in real estate when values were based not on the worth of the property but on what could be turned over in a period of speculation..

Building Plans Announced

Merchants of Victoria, however, are not looking so much to the profits made in real estate transactions as to the announcements of building plans which point to more business for builders, hardwaremen, grocers and sanitary engineers. James Hayler, capitalist of Guatemala, plans to build a number of apartment court bungalows. The Panama Pacific Grain Terminals Ltd. have completed arrangements with the Dominion Government for a 63 year lease on the Canadian National Railway's dock at Ogden Point for the establishment of a million bushel elevator at a cost of approximately $1,000,000 as the first unit of a contemplated $2,000,000 elevator. On the heels of this comes the announcement that a syndicate of British capitalists will erect an elevator of half that capacity and there is also talk of a branch of the Canadian wheat board being established in the city. Assurance has been given the companies that the National railroad will give the same terminal rates to Victoria on grain as Vancouver receives. The grain will be brought from the C.N.R. Fort Mann terminals on the mainland to the island ports ready for shipment from here. These are looked upon as the first steps towards the establishment of Victoria as a grain port.

Tenders and By-laws

TENDERS CALLED

Oct. 6, Town of La Tuque, P.Q.—$244,000 debentures. Ten years at 5½ or 5 per cent., or thirty years at 5½ or 5 per cent. F. E. Riberdy, sec'y-treas.

Sept. 18, The Parish of St. Jean Chrystostome, P.Q. — $28,000, 5½ per cent. serial bonds. C. Proulx, sec.-treas.

Sept. 15, Province of Nova Scotia—$4,000,-awarded to Renaud & Co., at 99.358. The bids bonds for highway construction. The Provincial Treasurer.

BRITISH COLUMBIA

The following certificates have been issued by the municipal department of the Province of British Columbia upon the following dates: July 28.—City of Prince Rupert, local improvement consolidating by-law No. 523, $74,838, ten years, six per cent.; July 28.—City of Duncan—School loan by-law, 1925, $5,300, fifteen years, 5½ per cent.; July 28.—District of North Cowichan, school by-law, 1925, fifteen years, 5½ per cent.; August 5.—City of Salmon Arm, by-law No. 162, $756, ten years, 7 per cent.; August 5.—City of Salmon Arm, by-law No. 163, $444, ten years, 7 per cent.

SASKATCHEWAN

Authorizations Granted by the Local Government Board From August 22 to August 29, 1925

Sherlock Lake, $500; Bodmin, $500; Shackleton, $5,000; Lupescu, $2,000; Waldron, $2,500; Esterhazy, $2,000; Falconhurst, $1,600.

List of Debentures Reported Sold

Schools—Wallenstein, $800, 10 years, 6½ per cent., Geo. Moorhouse & Co., Regina; Richlea, $4,500, 10 years, 6 per cent., Regina Brokerage & Inv. Co.; Pratt, $1,400, 10 years, 6½ per cent., R. Roberts, Riverhurst; Neilburg, $8,000, 15 years, 7 per cent., C. C. Cross & Co., Regina; Springdale, $4,300, 15 years, 5⅞ per cent., Regina Brokerage & Inv. Co.

Telephones—Hewson, $750, 10 years, 6 per cent., Regina Brokerage & Inv. Co.; Titanic, $350, 15 years, 7 per cent., F. Miles, Regina; South Melaval, $925, 15 years, 6 per cent., Regina Brokerage & Inv. Co.

London Vote Favors New 250-room Hotel

The city of London will have a new 250-room hotel within the near future. At a special election held last week it was determined by a three to one vote that a fixed assessment of $200,000 will be made and that the required property exchange completed. It is stated that the construction work on a $1,500,000 edifice will commence shortly on the Federal Square property.

Concerning the proposal to trade the site which will be used for the hotel, for the old Merchants' Bank and Bank of Montreal properties on Richmond St. between Queens Ave. and Fullerton St. the verdict was 3,594 to 1,176 being a favorable majority of 2,418, on the ten-year fixed assessment question the vote was much the same; 3,503 for, 1,238 against, favorable majority of 2,265. It is thus seen that 29 who voted on the first proposition did not use their ballots on the fixed assessment, while the adverse vote was increased by only 62.

The Lynch Construction Co. has undertaken to furnish guarantee bonds to complete the undertaking, on the one remaining condition that London furnish $250,000 of the capital for construction purposes. This money will be subscribed by local business men who are giving the proposal their support.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES.

Place	Date	Sold To	Rate	Maturity	Amount	Price	Yield
		MUNICIPAL					
Middleton	Aug.	H. M. Bradford & Co.	5%	1955	$12,500	100.21	5.00
La Tuque	Aug.	Bray, Caron & Dube	5½%	1950	55,700	100.61	5.44
Saskatchewan Schools, etc.	Aug.	Various	....	....	21,020	....	...
Hull	Sept.	Renaud Co.	5%	1956	142,000	99.358	5.04
		GOVERNMENT					
Dominion of Canada	Aug.	Dominion Securities Corp. and Syndicate	4½%	1940	$75,000,000	97.25	4.75

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St. Maurice Power 6½'s 1953
Wayagamack 6½'s 1930
Wayagamack 6's 1951
Montreal Tramways 5's 1941
Montreal Tramways 5's. 1955
Montreal Public Service 5's 1942
Windsor Hotel 6½'s 1943
Laurentide Power 5½'s . 1946
Duke-Price Power 6's 1949

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Insurance for Buyer and Seller

RATING BUREAUS SHOULD RULE IN MAKING SCHEDULES

But Not Necessary That All Licensed Companies Should Belong

By R. LEIGHTON FOSTER, Ontario Superintendent of Insurance at Winnipeg Convention of Superintendents.

It has been found wise and necessary to permit insurance companies to combine and form associations for the purpose of fixing and maintaining rates. The experience of one company or of many companies in a limited field, or over a short period of time, would obviously not give a sound basis on which to predicate rates. The only method by which there can be even an approximately equitable distribution of insurance cost is by combining the experience of many companies over a wide territory, and over a period of years.

In this conclusion I adopt the view of the Hon. Mr. Justice Masten. He said at P. 12 of his report, "I am of opinion that the operations of the Canadian Fire Underwriters Association have been and are to the advantage and in the interests of the public, that such a combination tends strongly to maintain the solvency of companies, to stabilize rates, to eliminate discrimination, and to assist in controlling the expenses of carrying on the business; . . . . But, being a combination, ought to be fully subject to supervision and control by the State."

Every insurance investigation has shown the absolute necessity of schedule rating. No situation should be tolerated which allows competition to become an influencing factor in the insurance rate. Rates must represent a scientific computation of experience with the function of the underwriter limited to the problem of adjusting such rates nicely to the hazard. At the same time, rating bureaus must awaken to their changed status in the eyes of the law. They are no longer eighteenth century price-fixing combinations in restraint of trade; they are quasi-public-service bodies and as such should court publicity; take the public into their confidence; and be prepared to justify to the public the rates they prescribe. Moreover a great deal of difficulty has been experienced in the past because rating bureaus have refused to admit to membership or furnish their rating service to mutual companies which pay dividends to their policyholders, or to any company not a member, including stock companies as well as mutuals.

I am doubtful how this policy can be reconciled with the spirit of the Ontario rating law. In New York State all rating bureaus are now required to admit to membership, and furnish their service without discrimination to, any insurer licensed to undertake contracts of insurance in the state applying therefor, subject to sharing the expense of maintaining the rating bureau in accordance with reasonable rules. From the present condition in the automobile field, in Ontario, it looks as though force of circumstances might bring this about, apart from legislation. Seventy companies are sharing the expense of maintaining a rating bureau and publishing a rate manual; ninety or more companies are openly using that manual as a basis for their rates.

I do not wish to be understood as advocating that every licensed company should be required to join a rating bureau, but I do believe that every company writing fire and casualty insurance should be required to comply with the rates of the rating bureau of which it is a member, or the rates of which it adopts as its standard, and that where a company adopts manual rates as its standard either openly or substantially, it should be permitted to charge only uniform percentage deductions from or additions to the manual rates, upon all classes of risks written by it and rated by the rating bureau. In this connection, it is to be remarked that we are fortunately placed in Canada in that, so far as I am aware, in no province is there presently organized more than one rating bureau promulgating rates for the same class of insurance.

Big Producer Wins Promotion as Inspector for District of Montreal

Charles C. Hershon, of the Canada Life Assurance Company, one of the leaders in life insurance production in Canada, has been appointed inspector of Montreal district for his company. Mr. Hershon joined the Canada Life in 1917 without previous experience. Since enrolling he has written 1,384 policies, or on the average of at least one policy every working day since he joined the company. He employs no sub-agents and looks after all details personally.

C. C. HERSHON.

The following amusing story is told of Mr. Hershon relative to the persistency which is one of his greatest assets. One day he and D. L. Young, provincial manager for Quebec, were walking along St. Catherine Street, near Bleury, Montreal, when he noticed a young man of his acquaintance running for a street car. Asking Mr. Young to board the car with him, he sat down beside the young man and by the time the car had reached Windsor Street, only a few blocks away, he had sold the chap a policy for $3,000 and pocketed his cheque for the first premium. He had been after the young man for some time, and the very unusualness of the approach had finally secured for him the application. If Mr. Young had not been in a hurry to keep an appointment, Hershon would very likely have sold the motorman and conductor, as well as half the passengers, and perhaps even the policeman who would have come running up seeking the cause of the street car impeding traffic. Seriously, however, this incident goes to show why Hershon has succeeded. He never lets any opportunity slide by. His latest promotion will not interfere with his personal production, and, in fact, the company expects him to show even a larger volume of business. His quota this year is $750,000, and, judging from the amount already signed up, he should go over the top.

COMPANIES MUST HAVE FREE SCOPE, SAYS WEGENEAST

Says Creation of Monopoly by Insurance Legislation Must be Avoided

WINNIPEG.—"Insurance companies must be allowed to gamble with their money just as we are allowed to go to the races if we wish. Underwriters must have scope to exercise their judgment in classification. A company must be able to permit an efficient manager to take the risks when he sees fit," said F. W. Wegeneast, counsel, of Toronto who is representing eastern interests at the conference of the superintendents of insurance. Mr. Wegeneast was speaking on the paper on "The Ontario Rating Law," read by R. Leighton Foster, superintendent of insurance for Ontario. He went on to say that what must be avoided in insurance legislation was creation of a monopoly.

A barrage of criticism was laid down by other speakers on certain points in Mr. Foster's address. Mr. Foster had said that discrimination in Ontario had been such that the state had been forced to introduce a measure of control and supervision of rates.

T. L. Morrisey, of the Union Fire, Montreal, representing the Canadian Fire Underwriters' Association, pointed out that the delicate problem of rate-making and classification had occupied the attention of the companies for many years. "And now," he said, amid laughter, "what we have been unable to do in the way of accurate classification, the government is going to do for us."

LICENSE TO MARYLAND CO.

The Department of Insurance has issued a license to the Maryland Insurance Company, to transact the business of fire, tornado, sprinkler leakage, and insurance against damage to property of any kind caused by the explosion of natural or other gas. W. E. Findlay, Montreal, Que., has been appointed chief agent in Canada.

LONDON LIFE MAKING RECORDS

LONDON.—The London Life Insurance Co. continues to make records for new business in a manner which indicates progressive and successful selling methods. There is now assurance that the business for 1925 will average more than $1,500,000 a week and it is proposed to increase this to $2,000,000 a week as the quota for new business for 1926.

METROPOLITAN LIFE CHANGES

The executive of the Canadian head office of the Metropolitan Life Insurance Co. announces the following changes in the field: Joseph L. Renaud, assistant manager at Maisonneuve (Montreal), has been appointed superintendent at Montreal city account; Omer Belfair, agent at Laval, Montreal, has been appointed assistant manager at Laval; Ferdinand Charland, assistant manager at Laval, has been transferred to Maisonneuve; R. A. Moderwell, agent at Stratford, Ont., has been appointed assistant manager.

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MORE GOVERNMENT ANNUITIES SOLD

Over $10,000,000 Paid in During First Eight Months of This Year

From Our Own Correspondent.

MONTREAL.—Apparently the annuities issued by the Canadian government are growing in public favor, for the total number of purchasers for the first eight months of the current year was 6,775, who paid in $10,558,117, which represents a considerable increase over the corresponding period of 1924. This sum was received by the government in amounts ranging from 10c. up to $30,000.

Although these annuities probably appeal most to the man on the smaller salary, yet all types of individuals are availing themselves of the benefits which they provide; for example, last week a man of fifty years of age paid in $27,076 for a last survivor annuity for his wife or himself, amounting to $3,000 annually. Again, a widow, aged 47, paid in $13,410 for a $900 immediate annuity—the latter to commence three months after the application was accepted.

During the last session of parliament, an amendment to the Annuities Act was passed, which reduced the minimum annuity purchasable from $50 to $10. This has greatly enlarged the field and has made the purchase of annuities attractive to industrial concerns, for, by this means, companies are enabled to build up a proper pension for those employees who are too old to work.

Briefly, the purchase of these smaller annuities from $10 to $50 is made under what is called the cumulative single premium system, in which each purchase is complete in itself and the number of annuities which a purchaser may buy is limited only by a total amount purchasable of $5,000. Thus, for the payment of a fee, which naturally varies with the age of the applicants, the purchaser may be assured of a $10 annuity, to begin at the age of $65, without further outlay of cash on his part. In this way, the working man, by the occasional purchase of these annuities, can build up a sizable income for himself or his wife at the age of 65.

Big Development in the Portland Canal District

VANCOUVER.—After a three weeks' trip in the north, Ald. Frank E. Woodside, Vancouver, president of the B. C. Chamber of Mines, returned more convinced than ever in the prosperity that will follow development of the mineral resources of the province.

"While I think I have kept fairly abreast of mining development," he said, "I am putting it mildly when I say I was astonished to find so much progress in the central and northern parts of the province, particularly in the Portland Canal district."

HEAVIER SOCKEYE CATCHES

VANCOUVER. — Rivers Inlet and Smith Inlet continue to show remarkably heavy sockeye catches. Approximately 50,000 more cases have been packed so far this season than during the corresponding period last year. The combined sockeye pack in these two inlets this year totals 127,818 cases, as against 77,938 last season.

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C. R. SOMERVILLE President. R. C. MACKNIGHT Gen. Manager. 2

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$85,000,000.00
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"THAT'S the third ball I've lost to-day," says Smith; "and they were good, new balls, too!"

Good golf balls cost 75 cents to $1.00 or more. If you lost only *one* ball per game, at $1.00 each, playing but one game per week during the season of, say, six months, it would cost you more than what you would pay for *$1000 worth of profit-participating life insurance* in the Mutual Life of Canada, issued at the age of 30!

Perhaps you hardly ever lose a ball. Perhaps you lose life insurance in some other way. Now is a good time to figure out how you can stop some of the leaks and cover the risk you are running every day at the expense of your dependents.

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This is 21½ per cent in excess of our guarantee.

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The value of property is estimated by the income it yields. Is your property yielding the highest income consistent with safety? It can only do so under expert management.

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The Record of Fire Losses in Canada

Place / Property	Date	Loss	Insurance	Cause
Nova Scotia				
Antigonish, Sonora Timber Co.—Standing timber, etc.	Aug. 26	7,000	......	unknown
Upper Dyke Village—G. Blanchard, res. and barn	Aug. 29	4,000	partial	unknown
New Brunswick				
Welsford—J. McKinney, res. and shed	Aug. 26	3,000	partial	unknown
Fredericton—F. C. Jewett's store	Aug. 30	2,000	......	......
Moncton—C.N.R. blacksmith shop	Aug. 30	6,000	......	......
Ontario				
Hamilton—St. Marks Church	Aug. 31	8,000	......	unknown
Tavistock—A. G. Fields, Knitting Mills	Aug. 27	40,000	......	unknown
Alberton—G. Vanakle, res. and barn	Aug. 26	25,000	......	unknown
Haykestone—B. Reid & Sons, mill	Aug. 24	15,000	......	......
Wiarton—Newman sawmill	Aug. 30	10,000	......	......
Napanee—Ross Miller biscuit factory	Aug. 30	15,000	......	......
Prince Edward—P. McDavitt, barn	Aug. 26	4,000	......	overheat.
Sunderland—L. Wescott, barn	Aug. 30	3,000	......	......
Bala, Muskoka—Rosseair House	Aug. 25	4,000	2,000	......
Clinton—Barry's store and Murray & McEwen's shop	Aug. 31	heavy	partial	......
Toronto—C. F. Skinner, res.	Aug. 28	3,000	......	......
Bosanquet Twp.—P. Egan, barns	Sept. 1	2,500	3,000	overh't. iron
Palmyra—J. Eberle, barns	Sept. 1	6,000	partial	unknown
Chatham Twp.—W. Watts, barn	Sept. 1	10,000	small	combustion
Kitchener—Waterloo Bedding Co., building	Sept. 1	5,000	partial	......
Brooklin—J. D. Lambert, barn and crops	Sept. 1	2,500	......	......
Norwich—U. F. O. Co-operative Co., frame	Sept. 1	heavy	......	......
store and warehouse	Aug. 28	8,000	......	unknown
Quebec				
Sillery—M. W. Labbe, res.	Sept. 1	3,000	partial	......
Prince Edward Island				
Imperoyal—Imperial Oil Co., plant and Imperoyal Hotel	Aug. 26	80,500	......	......
Saskatchewan				
Regina Beach—Pavilion	Aug. 29	10,000	......	......
Alberta				
Innisfail—Alberta Hotel and Several Bldgs.	Aug. 28	15,000	partial	......

THE ASBESTOS CO. HAS NOW AGREED TO ENTER MERGER

Important Conditions to be Fulfilled — New Properties Bought

From Our Own Correspondent.

MONTREAL.—The Asbestos Corporation has agreed to the merger. There are, however, several important conditions which remain to be fulfilled before the plan is put into operation. In the meantime, the corporation has purchased the properties and assets formerly belonging to the Bennett-Martin Asbestos and Chrome Mines, now held by a corporation known as the Thetford-Vimy, Ltd. The Bennett-Martin mine at Thetford is closed and the company has been in voluntary assignment since the beginning of 1924. In acquiring the properties which are situated close to these at present held by the Asbestos Corporation, the company has thus acquired a large and valuable property, together with mills, plant and equipment.

The Companies Included

When the merger is finally brought to a satisfactory conclusion, the new company will control the assets and properties of the following companies:

Asbestos Corporation of Canada, Limited; Federal Asbestos, Limited; Consolidated Asbestos Corporation, Limited; Asbestos Mines, Limited; Black Lake Asbestos and Chrome Mines, Limited; Pennington Asbestos Company, Reg., and Thetford-Vimy, Limited.

At present it cannot be definitely stated what the capitalization of the new company will be, but W. G. Ross, president of the Asbestos Corporation, declared that it will not exceed the following:

6 per cent. bonds	$7,370,000
Preferred stock 7 per cent. non-cumulative and non-participating	7,700,000
No par value com. shares	200,000

The securities going to the constituent companies will not be delivered until the new corporation receives a clear title to the assets and properties.

The Shareholders Exchange

When the deal is finally completed, the shareholders of the Asbestos Corporation, according to Mr. Ross, will exchange their securities as follows:

Present bondholders of the corporation will have the right to exchange their 5 per cent. bonds, should they so desire, for the new 6 per cent. bonds of the new corporation, bond for bond. There are outstanding at present some $1,700,000 5 per cent. bonds.

The preferred shareholders will receive one new 6 per cent. bond and one-tenth new 7 per cent. preferred share for each old preferred share held. There is at present $4,000,000 of Asbestos Corporation preferred stock outstanding.

The common shareholders of the Asbestos Corporation will receive one and one-tenth new preferred share for every share in the old company. The corporation has outstanding $3,000,000 in common stock.

In addition, both the preferred and common shareholders of the Asbestos Corporation will be given one share of common stock in the new company for each share now outstanding.

While the Corporation has agreed to enter a merger as above outlined, there remains several important conditions which must be fulfilled before the merger is consummated—this will take more or less time. If these conditions are satisfactorily completed, a special general meeting of the shareholders of the Asbestos Corporation of Canada will be held for the purpose of obtaining their approval and ratification of these arrangements.

Mr. Ross has stated that the merger will become an accomplished fact as soon as certain important conditions are fulfilled. It has been taken for granted in quarters well acquainted with the situation that this refers to the difficulty of obtaining clear titles to some of the companies destined to take part in the merger. This, it is believed can be accomplished but it will take time.

A Virtual Settlement

It is generally regarded here that this means the virtual settlement of the deal and will place the asbestos industry in this province on a sound basis for the first time.

As to the capitalization of the new company, the dopesters have been doing some quick figuring with their pads and pencils, and some have estimated that with the increased prices which the new combination will be able to obtain, that after meeting all fixed charges and preferred dividends, the new company should be able to earn something like $5 on the common stock per annum. This figure, though, is regarded in other quarters as being a trifle optimistic—at least, as far as the first year or two of operations is concerned.

POST-Scripts

A GREAT deal can be written upon most any occasion about the changes wrought by time's progress. One of these, to which particular momentum was given during the war, has been the widening of the activities of the fair sex in the business field and the recognition of a rising standard of ability in remuneration. Half a century ago the courageous pioneers who sought to enter what had been regarded as the domain of fathers and brothers were finding opportunities with the Bell Telephone Company. What these "opportunities" were is indicated by the following excerpt from a letter written to the company's head office from an Ontario city just forty-five years ago:

"I have advertised for and engaged two young ladies whom I think will prove satisfactory. I am paying them $10 per month for three months and then they are to get $15. I am breaking one of them in now. One at a time, if you please."

THE "Grand Old Man of the Pacific," Captain Robert Dollar, has a reputation of doing things which other men have said were well-nigh impossible. Not long ago, he declared he was going to sail a fleet of ships around the world on regular schedule and do it under the Stars and Stripes. Shipping friends scoffed, but the dauntless Mr. Dollar did it and still does for that matter.

Perhaps the indomitable never-say-die spirit of "Cappy Ricks" had its dawn in his early years as a cook boy in a Canadian lumber camp. In those bleak days, after the scullery work was done, the future king of the seas often spent hard-earned leisure hours on a flour barrel learning to read. This employment of his time bore fruit a few years later when he ventured his first business dollars in some timber land. Followed long, lean years of desperate struggling until the fickle lady of fortune deigned a flickering smile his way and the country soon recognized him as a foremost lumberman.

Again it is Adams who recalls that not until he was 57 did Captain Dollar own a vessel, and then it was a sorry-looking craft. But lumber needed to be shipped and Time, producing its changes, enlarged the one boat into many more, until the Captain's ships could be found on all the seven seas. Recently he purchased the "President" liners from the shipping board.

"THE mansion of the late James J. Hill was sold at auction early this month and was purchased by four daughters of the Empire Builder at a cost of $90,300. The house will be turned over to the Catholic Archdiocese of St. Paul for use as a charitable institution."—Adams, of the Boston News Bureau, is justified in considering this too cold, colorless an announcement of the transaction. There is a wealth of romance attached to the spacious old house. There many of the hardest struggles and triumphs of the king of railroaders took place. Royalty has graced its hospitable doors. King Albert of Belgium was one of the many friends who valued the eminent Mr. Hill's acquaintance, and it was at this house that he was entertained a short time before he was enthroned.

Mr. Hill loved St. Paul—even as a soldier loves his field of battle; and though many of his activities were of necessity centred elsewhere, he always loved best to fight his battles on his own ground in St. Paul.

A Maker of Soaps Who Finds a Thrill in His Daily Work

"MY policy has always been to try and do unto others as I would have them do unto me." The old proverb is the business policy of an interesting business man I know. He has not relegated it to the background for the more modern version of: "Do others before they do you." His business house still maintains this old motto and, what is more, lives up to it. The house is the Guelph Soap Co., and the man is E. J. C. Walker, who still manages, in spite of his old-fashioned ideas, to continue to add the odd thousand or two to his monthly business.

It will be difficult for most to see any romance in the making of soap. It takes a very human person to do so. Mr. Walker goes one better—he gets a real thrill out of it.

His soap, which he has made for years, was a good soap years ago when his father made it, and when the sales consisted of unsolicited orders, because the founder of the business made his product sell itself.

Mr. Walker stepped into the business in 1905. It was a long uphill battle. The plant was small and not in good shape. To make any progress and adopt progressive ideas, a larger plant was necessary. Perhaps it was the irony of fate that, just as a big new modern factory was completed, the large soap producers launched a price war. It is still going and cuts the margin of profit of the small maker as well as the large.

This hurt the maker of wonderful soap, but he still kept the overalls handy and a watchful eye over the ingredients that went into the bar. Profits might be cut but not quality. This, perhaps, explains why Mr. Walker's soap company, in face of the soap war and with bootleggers running over huge quantities of soap from the United States, and cutting into the market, sold $12,365 more soap in the first six months of 1925 than in the same period of 1924.

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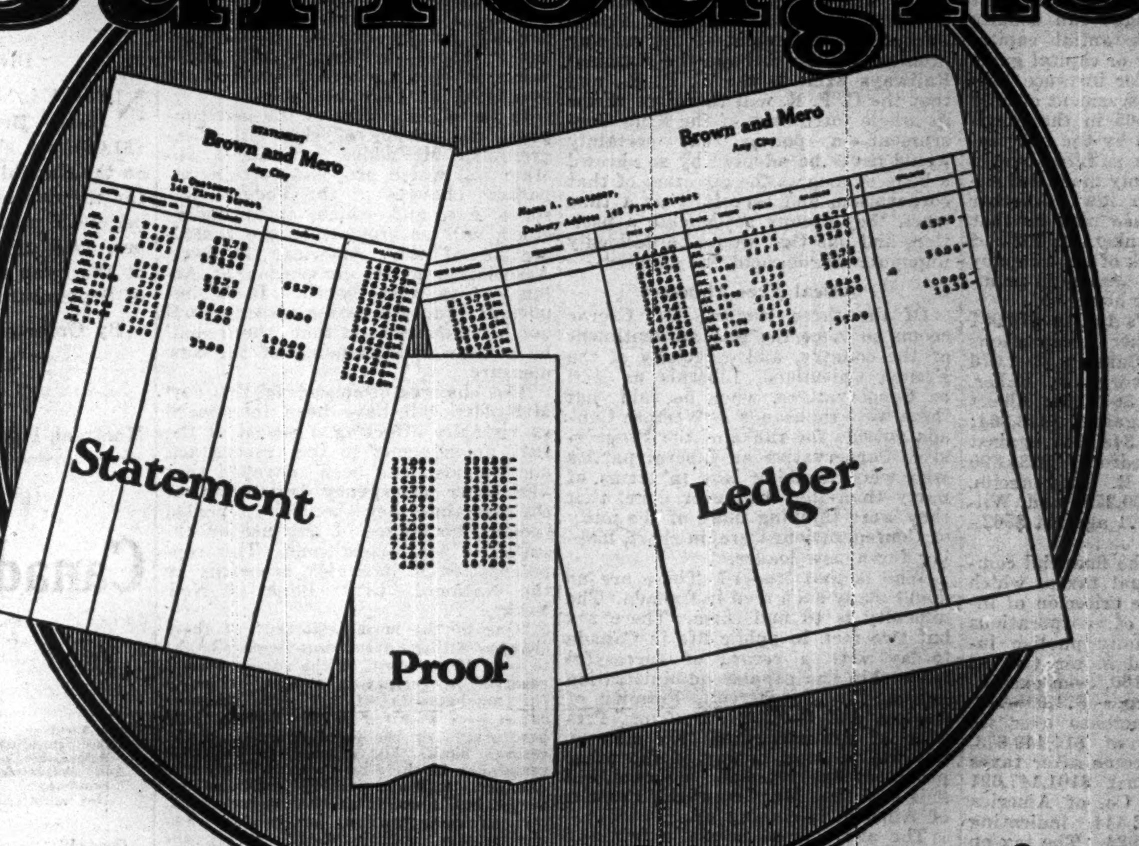

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Variety of restaurants—Main Dining room, Grill, Cafeteria—served by super-excellent cuisine.

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Mount Royal Hotel

VERNON G. CARDY, *Managing Director*

Direction: United Hotels Company of America

A LARGE PORTION U.S. TAXES PAID BY MILLIONAIRES

Declines as Result of Cut in Income Levy Not in Evidence

NEW YORK.—With John D. Rockefeller, Jr., heading the list as the world's champion taxpayer, contributing $6,277,669 in 1924 compared with $7,435,160 in the previous year, the American income tax roll indicates that the country's millionaires pay a very large portion of the expenses of government. Henry Ford came second and his son, Edsel B., third, the former with $2,608,806 against $2,467,946 and the latter with $2,158,055 against $1,984,254. J. D. Rockefeller, Sr., paid only $128,420 against $124,266.

Comparison of taxes on individual 1924 and 1923 incomes, at least among the large ones in which interest centred, do not uniformily show expected declines as a result of the reduction in maximum surtax rates to 40 per cent. from 50 per cent. and in normal tax to 6 per cent from 8 per cent.

Andrew W. Mellon's tax was $1,882,609 against $1,173,987, while the assessment of his brother, R. B., president of Mellon National Bank at Pittsburgh, showed an increase to $1,180,099 from $346,646. Similar increases occurred in J. P. Morgan's tax, which rose to $574,379 from $98,643, in Otto H. Kahn's, which more than doubled to $391,776 from $184,983, and in James B. Duke's $641,250 against $277,301. Such changes can usually be explained by substantial capital losses in the one year or capital gains in the other year. For instance William Wrigley, Jr.'s assessment of only $2,644 against $836,565 in the previous year is explained by the subtraction of various losses suffered over a period of years and only made deductible in the latest tax law. Another explanation in his case may be that the public sale by bankers in 1923 of 300,000 shares of stock of his company enabled him to invest heavily in municipal and government bonds.

President Coolidge's tax is $14,081 against $6,643. Other comparisons are: George F. Baker, $792,076 against $660,371; George F. Baker, Jr., $783,406 against $678,664; Elbert H. Gary, $332,680 against $473,364; Thomas W. Lamont, $480,747 against $848,820; E. T. Bedford, $235,390 against $242,274; S. R. Guggenheim, $148,178 against $300,259, and William M. Wood, $299,971 against $562,442.

Of more value to the financial community than individual taxes, which are a most inaccurate criterion of income, were those of corporations which do not habitually publish income accounts. Ford Motor Co. led the list with $16,493,160, even exceeding U. S. Steel Corp.'s $11,005,219, and a substantial increase over its previous year's tax of $14,449,673. This indicated net income after taxes of $115,452,120 against $101,147,691 in 1923. Aluminum Co. of America was assessed $1,162,444, indicating net of $8,137,108 in 1924. The tax on corporation income was 12½ per cent. on both years. Even here the tax does not always indicate actual income, as dividends received from partly owned subsidiaries are not taxable, and the government's accounting rules sometimes differ from those which may be considered wise in any particular industry.

NEW GRAIN ORDER INCREASES TRADE OF PACIFIC PORTS

(Continued from page 1)

the Pacific ports, for, as water will run down hill, so will traffic follow the lines of least resistance. The equalized rate on the shorter rail haul will inevitably produce a smaller through cost, consequently Alberta's wheat will export via Pacific ports. Now that the permit system which prevented direct individual shipments being made to Vancouver has been withdrawn, with the prospect of wheat being sold on the Vancouver basis instead of Fort William, the producer is in the position where he can be assured of the advantage of the increased price accruing to him. The specific reductions on mileage basis will make the new rate 18 cents from Calgary and 20 cents from Edmonton to Vancouver, as compared with the old rate of 22½ cents from both points. The reduction from a point 800 miles distance will be 4½ cents per 100 lbs.

"In 1923 fifty-five million bushels passed through one elevator in Vancouver. With the storage capacity now over four times as great at that port, and a new elevator being constructed at Prince Rupert and no dearth of shipping space, Alberta will experience no inconvenience in sending all her wheat westward this year. If fifty million bushels go this route at a saving of an average of 2 cents per bushel, one million dollars more will remain in the pockets of the Alberta farmers."

Of course there is much to support the contention that the order signed by two of the Railway Commissioners who sat on the case and formed a quorum should not be sustained in the face of opposition from a majority of the members of that body. An appeal has been formally made against the ruling by the Montreal Corn Exchange and a strong case in support has been submitted. The order came as something of a surprise under the circumstances and in view of the fact that a general inquiry into the whole question of freight rates is under way.

VIPOND AT 1,200-FT.

Vipond Consolidated produced during August $46,000 from 5,379 tons of ore milled.

The shaft is now completed to the 1,200 foot level, the station at that horizon being almost finished. Other development work proceeded satisfactorily but without any outstanding features.

Which Party to Reduce Canada's Scandalously Wasteful Expenses

(Continued from page 1)

would wreck his party rather than depart from what he considers right. And he concentrates on trivialities. The chief objection to Mr. Meighen, however, is his failure to get about him, to select as his advisers, able men, men in whom the public have respect and confidence. They have made a great mess in Quebec. When they had the chance to get back of Walter Mitchell they played petty politics and lost a great opportunity to bring a sound man into their ranks. To-day their only hope is Mr. King's weakness and new Conservative leadership in the Province.

Cabinet Strengthened

In this matter of colleagues, Mr. King is regarded as having shown more capacity. Due, no doubt, to his longer experience in public life, to his broader association with world leaders, he gathered about him as good a Cabinet as our present unfortunate political system permits. His latest appointments, Gordon, Marler, Cannon, are evidence of this. Mr. Meighen inherited a Cabinet mainly of decrepit incompetents, and, because of his loyalty to his party and his inexperience as an administrator, he failed to improve it when he had the chance and was deservedly kicked out.

As our information stands to-day, it is that the voters have no enthusiasm for either party. As the campaign develops, no doubt new issues will arise. One of these is developing in the Progressive and Conservative circles which may have an important effect. It is charged that Mr. King's scheme for settlement of the railway problem will be to hand the National Railways over to the C. P. R., and that the C. P. R. will therefore throw its whole force back of the King Government,—a policy that certainly would never be adopted by so shrewd a body of men as the directors of that corporation, and especially at a time when they occupy so delicate a position, and one that would be decidedly unpopular throughout the country.

Political Free-Thinkers

Of the three leaders, Mr. Crerar seems to voice the general sentiment of the country, and especially of the French Canadians, Liberals as well as Conservatives, when he said that there were thousands in Western Canada outside the ranks of the Progressive, Conservative or Liberal parties who were thinking less in terms of party than they had ever done, that they were thinking more of the unity of Confederation; were, in short, looking for a new leader.

Who is that leader? There are no doubt many such men in Canada. The difficulty is to find them. There are but two men in public life in Canada to-day with a record of successful leadership and capable administration—Hon. Mr. Taschereau, Premier of Quebec, and Hon. Mr. Dunning, Premier of Saskatchewan. No man at Ottawa, no man in any of the other provinces has yet made a record, but it is said that Mr. Greenfield, Premier of Alberta, is coming up.

The above is as nearly a fair and accurate estimate of the National Political situation as can be made as we go to press. The King-Meighen pronouncements are far from satisfactory. Neither would be accepted by any sound business, labor or social organization from its executive head.

No announcement has yet come from Hon. Mr. Patenaude, Montreal, as to his acceptance of the Conservative leadership in Quebec. In the national interest, men who know him, Liberals as well as Conservatives, hope he may sacrifice personal interests—as he would have to—in this emergency and come out. He appears to have all the elements of able and popular leadership,—charming personality, superior mentality, high principles, sound Canadianism and a clean, fair, aggressive campaigner.

SAYS McFADDEN MEASURE WOULD CAUSE INFLATION

NEW YORK.—The McFadden bill dealing with branch banking and effecting some minor amendments to the Federal Reserve Act, which failed to pass both houses of the last congress, will, it is understood, be re-introduced at the next session. The American Bankers' Association is on record as favoring this bill and may be expected to maintain this attitude. The provision as to branch banking simply extends to national banks equal privileges with state banks in states where the latter are permitted to have branches.

In the closing days of the last congress the author of this bill, Congressman McFadden, introduced another bill which proposes certain important changes in the Federal Reserve Act, and which, it is understood, will be brought to the consideration of the American Bankers' Association at its convention at Atlantic City this month. It is important that the two measures shall not be confused, and that there shall be a clear understanding of the new measure.

The changes proposed in the new McFadden bill have been introduced as virtually effecting a repeal of the 1917 amendments to the reserve act, and the idea has been conveyed that like other emergency legislation of the war time they should be repealed because no longer of any use or unsuited to peace conditions. This representation is incorrect, according to the National City Bank of New York:

"One of the most important of these changes is that authorizing member banks to keep 40 per cent. of the required legal reserves in their own vaults. Prior to the amendments of 1917 the member banks were required to keep certain fixed percentages of the legal reserves in the reserve banks, but allowed to keep the remainder in their own vaults. This was changed, making nothing good as reserves but a credit at the reserve bank, but as compensation for taking away the reserve quality of till money the legal requirements were materially reduced.

New Cabinet Minister Tells His Policy on Immigration

The following letter has been received by The Financial Post from Hon. George N. Gordon to whom The Post recently addressed a front page editorial on national issues. Its discussion of Canada's immigration policy is particularly interesting in view of the fact that since writing this letter Mr. Gordon has been announced as minister of immigration and because it may then be taken as giving some clue to the immigration policy of the new minister if he and his party are returned to office.

Editor, The Financial Post:

I wish to acknowledge what I take to be an answer to my inquiry as to your policies in respect to immigration, civil service administration, and the railways. I did not ask what your policy would be as to taxation because I felt that in answering my inquiries you would likely have enough to discuss in one article.

Apparently one of your editors decided to develop an article of the "Hurrah Boys, Hurrah" type, and with much declamation assumed that words were argument.

The significant feature is, that not one statistic is quoted by him for the purpose of proving one single statement. Needless to say the facts stated in the Post are not only not exact, but they are not true, and it is upon those untrue declarations of fact that it is sought to build up a case.

There is just one statement which might well be quoted to show how little the writer of that article in the Post knows about immigration. He declares "Canada can absorb and Canadianize 500,000 to 1,000,000 able-bodied workers every year." This would mean, with the children and dependents these men and women would bring with them, an addition to Canada's population on an average of 3,000,000 to 4,000,000 people a year, and would extend bread lines from Toronto to Hamilton, and wreck the labor market in every city in Canada.

The opinions, that I voiced in regard to immigration, were the result of the study of facts given by leading business men in the United States, Canada and England, and the opinions that I obtained from twenty-eight officials of companies employing labor in Canada, as well as the statistics I obtained from the department of labor, Ottawa.

Not one member of the House of Commons has ever suggested in the House any such policy as offered by The Financial Post. The policy that has been suggested by this writer in The Financial Post is opposed to the views, expressed by prominent members of all groups, which is, that immigration should be restricted until the surplus of labor in industrial centres had been substantially absorbed.

It is all very well for The Post to sneer at the labor leaders and their opinions, and join in the propaganda of those friends of the C. P. R., who wish to wreck the Canadian National, but it might be said with considerable confidence that the men who have given study to labor conditions should be very good judges of how much more labor, Canadian industry could absorb.

In addition to that, decent business men are trying to repel the attacks of the C. P. R. propagandists who are seeking to discredit the Canadian National, because the C. P. R. is now experiencing a competitor, which is keen and vigorous, and those propagandists are such short sports that they scream with pain because they are unwilling to see fair and honest competition.

I am pleased to say that the C. P. R. officials themselves are sportsman-like enough not to complain, but some of the people who have money invested in the C. P. R. are making an attack on the Canadian National, and have made it for the purpose of discrediting and injuring public ownership in Canada.

Let me assure the Post, that I hope to continue to use The Post as a financial authority, but as an authority on great public questions, if it still continues to maintain its weird and grotesque views, I cannot accept them as of sufficient weight for me to accept.

Yours faithfully,
G. N. GORDON.

To Our Readers

A number of friends of The Financial Post have directed our attention to a book advertisement of an objectionable character which appeared on page three of last week's issue. This advertisement was submitted in the usual way and the wording unfortunately was not noted until after it had appeared. Immediately steps were taken to have further insertions cancelled.

An effort is constantly made by The Financial Post to maintain a high standard for advertising as well as editorial matter and this applies not only to security offerings but to announcements of a general character.

We shall always be glad to have the opinions of readers to aid in keeping advertising matter up to the high standard which has been set.

THE PUBLISHERS.

MICA PRODUCTION INCREASED

OTTAWA.—Canadian mica production increased 16 per cent. in quantity and 9 per cent. in value in 1924, according to finally revised statistics issued by the Dominion Bureau of Statistics. Shipments in 1924 totalled 4,091 tons worth $357,272 as against 3,525 tons at $326,974 in the previous year. In 1924, the province of Quebec produced 1,677 tons valued at $185,020 while Ontario accounted for 2,414 tons with a valuation of $172,252.

The Toronto General Trusts Corporation

Dividend No. 117

NOTICE is hereby given that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending September 30th, 1925, being at the rate of TWELVE PER CENT. PER ANNUM, and that the same will be payable on and after Thursday, the First Day of October, 1925. The Transfer Books of the Corporation will be closed from Wednesday, the 16th day of September, until Wednesday, the 30th day of September, both days inclusive.

By order of the Board of Directors.
W. G. WATSON,
General Manager.
Toronto, September 9th, 1925.

The Wabasso Cotton Company, Limited

Dividend No. 31

NOTICE is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending 30th September, 1925, payable on the 2nd of October, 1925, to Shareholders of record at the close of business on the 15th of September, 1925.

By Order of the Board,
JAS. R. RITCHIE,
Secretary-Treasurer.
Montreal, P.Q., August 13th, 1925.

Dominion Power and Transmission Co. Ltd.

Notice is hereby given that Dividend No. 56 at the rate of seven per cent. (7%) per annum on the Cumulative Preference Stock of this Company has been declared for the three months ending September 30th, 1925, and that the same is payable on October 15th, 1925, to Shareholders of record on the 30th day of September, 1925.

The Transfer Books for the Preference Stock of the Company will be closed from the 21st day of September, 1925, to the 30th day of September, 1925, both days inclusive.

By order of the Board of Directors.
GEORGE D. FEARMAN,
Secretary.
Hamilton, Ont., 4th September, 1925.

PROVINCIAL PAPER MILLS LIMITED

DIVIDEND NOTICE

Notice is hereby given that Dividends have been declared by PROVINCIAL PAPER MILLS LIMITED, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock.
Regular Quarterly Dividend 1½% on Common Stock.

All payable October 1st, 1925, to Shareholders of Record as at close of business September 15th, 1925.

(Signed) S. F. DUNCAN,
Treasurer.

INTERNATIONAL PAPER COMPANY

New York, August 27, 1925

August 26th, 1925, the Board of Directors declared a quarterly dividend of 1½ per cent. on the 6 per cent. Preferred Stock and a quarterly dividend of 1¾ per cent. on the 7 per cent. Preferred Stock, payable October 15th, 1925, to holders of record of the respective stocks at the close of business October 1st, 1925.

Holders of the 6 per cent. Preferred Stock surrendering their stock certificates on or before October 1st, 1925, either to Bankers Trust Company, 14 Wall Street, New York City, or to the First National Bank of Boston, 67 Milk Street, Boston, Massachusetts, for exchange for the 7 per cent. Preferred Stock, together with the requisite cash payment of $10 per share, will be entitled to receive the dividend payable October 15th on the 7 per cent. Preferred.

Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD, Treasurer.

Fourteenth Annual Report OF THE Canadian Locomotive Company LIMITED

For Year ending 30th June, 1925

BALANCE SHEET AT THE 30th JUNE, 1925

ASSETS

Fixed Assets—			
Land, Buildings and Equipment, as valued by the Canadian Appraisal Company, Limited, at the 30th June, 1924		$3,692,094.39	
Add: Adjustment due to further Certificate from the Appraisal Company		33,199.83	
Net additions during the year		38,030.39	
		3,763,324.61	
Goodwill		1,000,000.00	
			$4,763,324.61
Sinking Fund Investment Account—			
$190,200.00 Company's First Mortgage Bonds purchased and held by Trustees—cost		180,649.36	
Cash in hands of Trustees, including July, 1925, Coupons and Cash payable to Trustees on or before the 1st July, 1925		20,809.50	
			201,458.86
Investments—			
1933 Dominion of Canada Victory Bonds at cost	513,187.50		
Less: Amortization of Bond Premium to date	1,570.50		
		511,617.00	
Other Dominion of Canada Bonds at par		550,000.00	
Canadian National Railway Equipment Bonds—Series "G", at par		216,000.00	
		1,277,617.00	
Add: Accrued Interest thereon to date		13,751.28	
			1,291,368.28
Current Assets—			
Inventories valued at or below cost, as certified by Officials of the Company:			
Work in Process		14,057.25	
Material and Supplies		101,424.79	
		115,482.04	
Trade and Miscellaneous Accounts Receivable—Less Reserve		267,834.08	
Cash in Banks and on Hand		17,794.96	
			401,111.08
Deferred Charges to future operations			25,161.87
			$6,682,424.70

CAPITAL AND LIABILITIES

Capital Stock—			
Authorized: 35,000 Shares at $100 each	$3,500,000.00		
Issued:			
15,000 7% Cumulative Preference Shares, fully paid		$1,500,000.00	
20,000 Ordinary Shares, fully paid		2,000,000.00	
			$3,500,000.00
First Mortgage 6% Forty-Year Gold Sinking Fund Bonds, due 1st July, 1951—			
Authorized	$2,000,000.00		
Whereof issued			1,500,000.00
Current Liabilities—			
Bank Loans		235,000.00	
Trade Accounts Payable, Wages and other Miscellaneous Balances		76,489.18	
Bond Interest Accrued, Coupon No. 28 (paid the 2nd July, 1925)		45,000.00	
Dividend No. 54 on Preference Shares for the three months to date (paid the 2nd July, 1925)		26,250.00	
			382,739.18
Reserves—			
General Depreciation		100,000.00	
Sinking Fund		201,458.86	
			301,458.86
Profit and Loss Account—			
Balance at credit thereof, per Statement II			998,226.66
			$6,682,424.70

AUDITORS' REPORT AND CERTIFICATE

To the Shareholders, Canadian Locomotive Company, Limited, Kingston, Ont.:

We have examined the books and accounts of the Canadian Locomotive Company, Limited, for the year ended the 30th June, 1925, and in accordance with Section 94B. of The Companies Act (Dominion) we report that we have obtained all the information and explanations we have required, and that in our opinion the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at the 30th June, 1925, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

Dated at Toronto, Ont., 21st August, 1925.
WM. HARTY, Director.
WM. CASEY, Director.

GEORGE A. TOUCHE & CO.,
Chartered Accountants, Auditors.

PROFIT AND LOSS ACCOUNT
FOR YEAR ENDED THE 30th JUNE, 1925

NET PROFIT for the year ended the 30th June, 1925, before providing for depreciation and other items, as shown below			$ 166,549.47
Add:			
Interest received on Investments—less Amortization of Bond Premium			65,020.48
Profit on sale of Investments			3,308.50
Amount over deducted from Profit and Loss Account last year in connection with the writing down of Goodwill Account, now adjusted as a result of addition to Plant and Machinery valuation as confirmed by the Canadian Appraisal Company, Limited, on the 27th January, 1925			33,199.83
			268,078.28
Deduct:			
Bond Interest		$90,000.00	
Provision for Depreciation		100,000.00	
			190,000.00
			78,078.28
Balance at Credit 1st July, 1924			1,080,148.38
			1,158,226.66
Balance appropriated as under:			
Sinking Fund Provision		15,000.00	
Dividends for year:			
Preference Shares	$105,000.00		
Ordinary Shares	40,000.00		
		145,000.00	
			160,000.00
Balance at credit, transferred to Statement I			$ 998,226.66

Dividend No. 152

The Huron & Erie Mortgage Corporation has declared its regular dividend to the shareholders for the quarter ending Sept. 30th. The amount is 1¾%, being at the rate of 7% per annum.

This nationally-known institution has paid dividends to its shareholders—without interruption—since 1865. It is one of the *twelve* financial institutions in Canada having a large Paid-up Capital of five million dollars or more.

"Older than the Dominion of Canada"

Branches from East to West.
T. G. Meredith, K.C.—President.
Hume Cronyn — General Manager.

Dominion Textile Company Limited

Notice of Dividend

A Dividend of One and Three Quarter per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending 30th September, 1925, payable October 15th, to shareholders of record 30th September.

By order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, August 25th, 1925.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid up capital Stock of this Institution has been declared for the quarter ending 30th September, 1925, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Thursday, the 1st day of October, 1925, to shareholders of record of the 19th September, 1925.

By Order of the Board.
C. A. BOGERT,
General Manager.
Toronto, 27th August, 1925.

Glasord Mining Corporation Limited

If you are looking for an opportunity for profitable investment, where the return on monies invested is enormous, and where all the gambling risk has been eliminated, it will be to your advantage to write us without delay. We are offering a mining stock of unusual merit, at the ground floor price of 25c. per share, par value $1.00, non-assessable. This stock will advance in price during the next 60 days. For particulars, write

GLASORD BROKERAGE,
417-18-19 Vancouver Block,
Vancouver, B.C.

The Trinidad Electric Company, Ltd.

Notice is hereby given that a dividend of 1¼% for the quarter ending September 30th, 1925, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of October, 1925.

The transfer books of the Company will be closed from the 1st to the 10th of October, 1925, both days inclusive.

By order of the Board.
F. B. OXLEY, Secretary.

Canadian Locomotive Company, Limited

Dividend No. 55

Notice is hereby given that quarterly dividend of one and three-quarters per cent. on the Preferred Stock was declared payable October 1, 1925, to shareholders of record September 20, 1925.

G. W. DALY,
Secretary.
Kingston, Ont.,
September 1, 1925.

DOMINION GLASS COMPANY LIMITED

Notice of Dividends

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1925.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1925.

The above dividends are payable on Thursday, the 1st day of October, 1925, to Shareholders of Record at the close of business Tuesday, the 15th day of September, 1925.

By Order of the Board.
MERVYN OFFER,
Comptroller and Secretary.
Montreal, 20th August, 1925.